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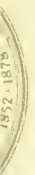


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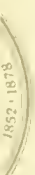
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The Future Agenda in Arms Control

Secretary Shultz's address before American and European Nuclear Societies and the Nuclear Energy Forum on October 31, 1988.¹

a paradox of history that great
ods of ferment and unrest often
ge creativity in the arts and sci-
es. Insecurity can impel us to probe
imits of knowledge and sometimes
e beyond them.

Forty-six years ago, in the midst
e horror and destruction of world
Enrico Fermi and his colleagues
ed the limits of mankind's knowl-
e beyond anything then imaginable.
a bitter cold day in December 1942,
squash court under Stagg Field at
University of Chicago, mankind
ved the first controlled nuclear re-
n. It ushered in the atomic and
ear era, and it defined the course of
national politics and security in the
math of the World War.

These meetings of the American
European Nuclear Societies and
Nuclear Energy Forum commemo-
the 50th anniversary of the discov-
of nuclear fission. You are here
probe issues related to energy. You
ere because mankind continues to
le with fundamental questions
ing to security in the nuclear
—among them, proliferation and
control.

Challenges of the Nuclear Era

the United States, the nuclear era
presented enormous challenges. In
mediate aftermath of Fermi's
reaction, the desperate struggle
urn back totalitarian aggression in
ope and Asia guided our policy on
development and use of nuclear en-
y. The policy choices and challenges
ng this period were clear, and our
bility of pursuing them was un-
lenged: The United States was the
nuclear power.

After World War II, this situation
nged. The Soviet Union became a
lear power and strove for strategic
ty. In time, the United States and
Soviet Union entered into a pro-
ted period of global competition, in
ch nuclear weapons provided nei-
r side with an advantage. Against
backdrop of nuclear arsenals capa-
of vast destruction, the Soviets

sought military preponderance as a
means of ensuring political domination.
This placed special demands on the
United States—how to deal with a situ-
ation that was fraught with dangers
and ambiguities.

In dealing with these challenges of
the postwar period, the United States
has enjoyed the advantages of democ-
racy, cooperative relations with allies,
and strength. We are a free and demo-
cratic society, founded on principles of
liberty and openness. Our creative en-
ergies are not spent on internal repres-
sion or state-dominated enterprise. We
are able to engage with the world as
free people, interested in seeing that
others enjoy, too, freedom and liberty.

We are a society anxious to expand
the circle of like-minded people. As
more and more people turn to open
economies, democracy, and freer so-
cieties, they join together in more
multilateral associations. Such regional
and functional groupings have taken on
increasing importance, for they have
provided new avenues of approach in
dealing with issues of global security.

And we are a society committed
to strength—strength through our own
political, economic, and military power
and strength through alliances with the
world's great democracies; and, I might
say, the strength that comes from being
convinced that our way, our ideals, are
the right ideals. It's very important
for us, in this competition, to be secure
in the belief that we are on the right
track. And in this day when the Rea-
gan Administration is coming to an end
and people are looking at what it is
that Ronald Reagan brought to this
country, my own opinion is that the
most profound contribution was to re-
store our self-confidence and our sense
of self-esteem that the things we stand
for are the right things. So, certainly,
these sources of strength are impor-
tant, and our military and political
strength—and that of our allies—has
expanded exponentially as it has devel-
oped into a shared defense burden.

Nuclear Nonproliferation

These values and strengths impelled us
initially to seek to maximize control
over the spread of nuclear weapons.
This meant nuclear nonproliferation.

Twenty-five years ago, experts as-
sumed that the spread of nuclear weap-
ons was inexorable. They predicted that

between 15 and 25 countries would have
nuclear weapons by the late 1980s.
Well, they were wrong. Despite difficul-
ties, the effort to prevent nuclear pro-
liferation has succeeded.

The earlier prophets of gloom did
not foresee the determined efforts that
would be undertaken by the interna-
tional community to deter the spread of
those deadly weapons. They did not an-
ticipate the ability of countries like the
United States and others to control this
threat to world peace through a web of
institutional arrangements, legal com-
mitments, technological safeguards, and
alternative means for addressing se-
curity concerns. They did not under-
stand that the will of people throughout
the world seems to be imbedded in the
Nonproliferation Treaty. All of this has
instilled confidence in the nonprolifera-
tion effort, and this has paid off in an
increasing number of adherents to the
treaty.

In promoting nonproliferation
efforts, we have been mindful of the
underlying reality that basic nuclear
knowledge cannot be kept secret. Nu-
clear fission itself was discovered by
German scientists, who sought to ex-
plain the results of pioneering experi-
ments by Italian scientists using the
neutron, itself discovered by British
scientists. The futility of total secrecy
was recognized by President Eisen-
hower in 1953 when he proposed a
program of international nuclear
cooperation. And it was the fundamen-
tal principle behind the creation of the
International Atomic Energy Agency
(IAEA) and the nuclear Nonprolifera-
tion Treaty—namely, that peaceful nu-
clear development could be secured by
agreement not to engage in develop-
ment of nuclear weapons.

Nonproliferation is consistent with
a policy of nuclear cooperation. The key
element for security is prudent re-
straint on the dissemination of nuclear
know-how and equipment. For this rea-
son, we continue to withhold nuclear
assistance from nations whose inten-
tions are suspect or unclear. We con-
tinue to press for universal adherence
to the Nonproliferation Treaty. We con-
tinue to work on strengthening the
IAEA safeguards system to meet the
challenges of increasing technological
sophistication and expanding nuclear
commerce. This is the nonproliferation
challenge, and it must be met.

Don't misunderstand me. We have plenty of problems, and we struggle everyday with these. But the main point is that, compared with predictions of 15 or 20 years ago, it hasn't turned out that way. It's much better. It's much better because the effort has been made. The effort has been made and succeeds because people support it, and they support it because they know it's the right thing to do.

Arms Control and the U.S.-Soviet Agenda

Stopping the spread of nuclear weapons and weapons technology is not enough. The Reagan Administration has worked hard and successfully on arms reduction agreements.

Creative and sustained diplomatic engagement has led to fair and mutually beneficial agreements to provide for greater international security. The combination of strength and diplomacy has guided our approach to U.S.-Soviet relations.

But arms control and arms reduction have not monopolized our attention. Under President Reagan, the United States has engaged with the Soviet Union with unprecedented vigor and effectiveness on all aspects of our agenda—human rights, bilateral relations, arms control, and regional conflicts. The environment in which we pursue these issues has changed fundamentally.

- Respect for human rights has now become an integral part of the agenda. I remember when I first started in and I would bring up these subjects. *Nyet!* Couldn't be on the table for discussion. Now it's built right in.

- America's military might has been restored and invigorated.

- Alliance unity has been renewed and strengthened.

- Efforts to resolve regional conflicts have moved forward, as in Afghanistan, and maybe Angola, and elsewhere.

- Arms control agreements have resulted from patient and successful negotiations.

In this environment, enhanced efforts in the areas of arms control and nuclear security have paid off. A workable process of negotiations, implementation, and verification resulted in agreements carefully negotiated and founded on principles adhered to faithfully. The starting point is the concept posed by President Reagan, and

agreed to by Soviet leader Gorbachev, at their first meeting in Geneva: "A nuclear war cannot be won and must never be fought."

I remember—I think it was in 1983—I was invited to give the commencement address at Stanford. I had come from a NATO meeting and talked about that mainly, but I got off that phrase. The graduating class, and everybody, exploded in applause. It went on for about a minute, which was a long time for applause. After everybody died down, I said, "That's a quote from Ronald Reagan."

We negotiated the historic intermediate-range nuclear forces (INF) agreement—the first agreement to require reductions in nuclear arsenals rather than simply slowing down increases in nuclear capability. It was preceded by tough decisions by the United States and our allies to deploy Pershing II and ground-launched cruise missiles in Western Europe in order to protect our security and to induce a serious Soviet response in the negotiations.

The INF Treaty eliminates an entire class of nuclear arms. It demonstrates that arms control can do more than simply codify existing deployment plans. This agreement reduces and reshapes nuclear arsenals; it promotes a safer and more stable world. The treaty has rigorous provisions on inspection, monitoring, and data exchange; these will result in effective verification, and they set valuable precedents for future agreements. These provisions will produce openness and cooperative contacts on sensitive military matters that, over time, will profoundly affect how we and the Soviets perceive one another.

In START—the strategic arms reduction talks—we are pursuing this course of reducing nuclear arms. We are far down the road toward completing a treaty calling for 50% reductions in strategic offensive arms. Some key issues remain unresolved. But the outlines of the agreement and many of its details are already in place, providing a sound basis for completing the treaty early in the next Administration.

START will contribute to the policy of deterrence. Until an alternative system of security becomes feasible, we must continue to rely on nuclear deterrence. For the foreseeable future, our goal must be to strengthen nuclear deterrence and make it work at lower, safer force levels. That is the goal of START.

START allows us to retain diverse survivable retaliatory forces. While START requires substantial reductions in U.S. and Soviet forces, including 50% reduction of their heavy ICBM [intercontinental ballistic missiles], programs to enhance the survivability and effectiveness of our ICBMs, submarine-launched ballistic missiles, bombers can go forward. With the combination of START limits on the threat and our own modernization program, we will be in a stronger position to ensure the continued survivability of our deterrent than we would be without an agreement.

The objective of START is stabilizing reductions—reductions structured so as to decrease incentives to launch an attack. The draft treaty being worked out in Geneva will do just that. The sooner it is completed, the better off we will all be.

Now, let me comment on the future agenda in arms control.

The Future Agenda in Arms Control

So, continued efforts on nonproliferation and intensified negotiations on arms control and arms reductions will help meet the challenges of the nuclear age. But, even as we achieve great strategic stability at lower levels of offensive nuclear arms, and just as we begin to see real progress on nuclear nonproliferation, new dangers appear. Sophisticated missile technology and ballistic missiles are proliferating. Chemical weapons are being used by a growing number of states.

The availability of sophisticated weapons presents serious problems. But two dangers stand out.

First, the increasing availability on the world arms market of relatively long-range, surface-to-surface ballistic missiles. In the Gulf War, both belligerents used Soviet SCUD missiles. Saudi Arabia is acquiring Chinese CSS-2 missiles with a range exceeding 1,500 miles. Other countries in the Middle East and elsewhere are acquiring ballistic missiles. The superpowers might consider some of these missiles "obsolete," but not the consumers. Soon, many countries will be able to build their own missiles—maybe, and we are able to stop them. Weapons of enormous destructive potential are reaching the hands of parties with regard for traditional inhibiting controls.

Second, there is the renewal of chemical warfare, surely the most deplorable and abhorrent development of our age. Nations are now confronted by violations of the oldest and most widely respected arms control agreement—the Geneva protocol that prohibits poison gas and chemical warfare. The protocol is being repeatedly violated. We stand up and criticize these violations, but somehow we have been almost alone in doing so.

The most frightening nightmare could be the eventual combination of nuclear warheads on ballistic missiles in the hands of states with little regard for international opposition to their actions. For this reason, the United States has taken the lead to curb the proliferation of both technologies.

In bilateral talks with the Soviets and in the UN Committee on Disarmament, there have been negotiations on a comprehensive chemical warfare ban. These negotiations are based on a U.S. proposal, a convention tabled by Vice President Bush in 1984. We also want to monitor and strengthen chemical export controls. And, on September 26, President Reagan called for a conference of the parties to the 1925 Geneva Protocol and other concerned states to strengthen norms against the use of chemical and abhorrent weapons. This conference will be held in Paris in early January.

The United States and key Western allies developed the Missile Technology Control Regime to control the export of ballistic missiles. Now, we are working with the Soviets and Chinese in an effort to deal with this growing danger.

Our agenda also includes a broad range of other activities, all aimed at averting conflict.

• Thirty-five members of the Stockholm conference devised advance notification and observation measures—first on-site inspection—for certain military activities in Europe.

• The Soviet Union and we established Nuclear Risk Reduction Centers in capitals to reduce the risk of war through accident or miscalculation. We signed the "Hot Line" and agreed to notify all launches of ballistic missiles.

• Two new negotiations on conventional arms will begin soon. One will explore additional confidence- and security-building measures for Europe.

The other will seek to eliminate destabilizing conventional force asymmetries in Europe.

• Headway has been made on an agreement in the area of defense and space.

• We and the Soviets have agreed to a practical, step-by-step program to limit nuclear testing in parallel with progress in reducing nuclear arms. The first step is to strengthen the verification arrangements of the Threshold Test Ban and Peaceful Nuclear Explosions Treaties so that those agreements can be ratified.

Controlling Arms: Ingredients for Success

Our efforts in nonproliferation, arms control, and arms reduction have helped us confront the challenges of the past and those of today. This experience points to seven ingredients for success in confronting the challenge of arms control in the period ahead.

First, we must continue to depend primarily on our own defense programs. Arms control efforts can complement those programs and contribute importantly to our security. But it cannot take their place, so pay attention to the defense budget.

Second, success through negotiations for our security depends on readiness to ensure our security by ourselves. Active U.S. defense programs give the Soviets incentive to negotiate flexibly. You can't sell it if you give it away.

Third, for the effort to control arms to be effective, progress must be pursued on every aspect of our foreign policy agenda. Our policy cannot be sustained politically against a background of Soviet human rights abuses and regional adventurism. As agreements between the superpowers on force levels and structures are negotiated, the two sides must find areas of common trust and sensibility on human rights, regional conflicts, and other bilateral problems.

Fourth, negotiating leverage derives, in large part, from support by our allies, the Congress, and the American public. The INF Treaty is a tribute to, and a product of, alliance unity—the determination of the basing countries to go forward with deployments, the cohesion of NATO at every step of the negotiations, and the solidarity of our allies and friends in Asia

who contributed so substantially to the global-zero outcome. Support from the U.S. Congress and public is no less essential. The need to protect the confidentiality of sensitive negotiating details must be balanced against the need to share information with the Congress and the public.

Fifth, the proper balance must be struck between deliberateness and decisiveness. Care, patience, and firmness are essential in formulating negotiating objectives and persisting at the table until they are achieved. But there also must be the courage necessary for closure. In many respects, it's easier to argue than it is to agree and to say I will agree to this and I will sell it, I will stand up for it. So we have to have the courage for closure while pushing to get the details right. It's not easy. But strong and decisive leadership is required to close a deal, as President Reagan provided in INF.

Sixth, we must think realistically about verification. The Soviet record of noncompliance with previous arms control agreements calls for the highest standards of verifiability. But not all intrusive verification measures are acceptable to the United States or the Soviet Union; on our side, certain facilities simply cannot be exposed to Soviet inspection. So, realistically, no arms control agreement will be perfectly verifiable. The key question is whether particular trade-offs are justified and whether the resulting verification regime, taken overall, will protect U.S. security by ensuring timely detection of any militarily significant violations. The new Soviet openness to inspection is most welcome, but the heart of our verification capability continues to be our national technical means, which must be modernized and expanded.

Finally, we need to establish priorities. NATO's ministers agreed in June 1987 that the leading arms control tasks for the period ahead were concluding a START agreement, achieving a more stable balance of conventional forces, and negotiating an effectively verifiable global ban on chemical weapons. Those priorities are sound. In addition, we must continue to strengthen our efforts against the proliferation of nuclear weapons and other destabilizing weapons technologies.

The Challenges Ahead

The pace and scope of change now are great. So, too, is the potential for scientific and technological change. Forty-five years ago, the United States met the challenge of fascism and aggression with a commitment to science that ushered in a new world of creativity and discovery. In the ensuing decades, we have met the challenge of the nuclear age through commitment to our own deterrent capability, but also to nonproliferation, arms control, and arms reduction. The period ahead will be no less challenging.

American leadership, broad international cooperation, and global commitment to enforceable agreements—these are the ways to meet the challenges that lie ahead. Let us work and hope that:

- As science and technology make the world smaller, it will become too small for conflict with increasingly dangerous weapons;
- As ideas about freedom and liberty spread, the world will become intolerant of ideological rigidity or self-centered ambition; and
- As the internationalization of the global marketplace tears down trade and commercial barriers, the world will cooperate more fully in international politics and collective security.

Our enduring spirit of pragmatism will guide us well during this period of fundamental change. We achieved remarkable success in transforming the legacy of Fermi into the international system of checks and balances that exists today. That same commitment—to strength, to realism, to diplomacy, to deterrence and international cooperation—must propel us forward to meet the challenges of tomorrow.

¹Press release 230 of Nov. 2, 1988. ■

Security Awareness, Measures, and Management

Secretary Shultz's address before the Overseas Security Advisory Council on November 2, 1988.¹

I remember very well the first of the meetings we had, when this council was formed around 3 years ago. If my memory is right, we had around 75 or 80 or so of the founding members come and have our first discussion about an interaction between the efforts we're making in the government and in the State Department and the needs and problems and contributions that people working overseas—corporate citizens working overseas—can make and help that we can give. So, this pattern of interaction started. I suppose it's a measure of the fact that the problems are real and that the pattern of cooperation is worthwhile—that we have seen this activity grow and prosper.

Let me just step back and review the efforts that we have made, and the strategy we have followed in coming to grips with the problems of terrorism.

Realizing Terrorism Problems

Certainly, it greeted me when I first became Secretary of State, because I had hardly been here when our Embassy in Beirut was blown up by a car bomb. If I hadn't realized that terrorism was a problem for us, I knew it right away, and we started working on this subject.

We had the benefit of a very strong report from a dedicated group of people, chaired by Bobby Inman, who gave us a lot of ideas on what to do. I think the basic strategy we could see goes something like this: First of all, we have to be aware, as people in a country and as people who are determined to be engaged and must be engaged overseas, we have to be aware of the fact that there is a security threat.

It's always, I think, necessary, if you're going to solve a problem, for people first to see that they've got one. If you start talking about solutions before people have taken it on board that there is a problem, they don't pay any

attention to the solutions. So, first of all, we have wanted to make it clear that there is a problem and what the nature of the problem is, what its dimensions are.

Then we have said to ourselves we're going to contend with this problem adequately, we have to have good intelligence about it, good information—intelligence that we can gather as a government, things that you are able to get as you work overseas that come out of a central pool, you might say, in which we can share with you, intelligence operation with other governments. We've worked very hard to develop our own intelligence and a network of intelligence about the terrorists. We have been really pretty successful. The terrorists would be surprised to know how much we know about them by this time.

Taking Defensive Measures

Understanding the problem and having information about it then puts you in a position where you have to be ready to do something about it. I think there are two basic things that we need to do. One is, of course, to take defensive measures, to figure out things that we can do that tend to make us harder to get at. There are all sorts of things that have come about and, I think, to a certain extent, been created by this effort.

It's always interesting to me to read that in some installation we have somewhere, there was an explosion instead of the glass flying all over the place and cutting people up or may be killing people—because we've learned something about what to do with glass—it didn't shatter, and innumerable other examples of things that are being done under the very good work of Bob Lamb [Assistant Secretary for Diplomatic Security Robert E. Lamb] and his group to make our facilities more secure. We see them right around this building. It's a little harder to see in.

On the other hand, it's also a much more secure building. I might say that has been done—some of the exterior things—I think with very good taste, and it looks fine.

In making ourselves secure in our facilities as much as we can, among other things, within the constraints of the budget, we don't want to present a picture of the United States and its facilities as being sort of enclosed and isolated. We want to maintain our presence in the world where we go places and we want to be part of the community. We want to mix. We want to have people come in and try to understand us and we want to understand them. That's our way. That's the American way of doing things.

But at the same time, I don't think that's at all incompatible with having facilities that are secure. I liken it to the early days of our efforts around air travel. Some of you may have heard me say before that I was the Budget Director when we first started in on that program, and we were going to have to do all these things all over our country, of all of course, as the Budget Director, my first instinct was always to say, "No, we can't spend that money. You're sure? Why?" and so forth. So I worked at that, but we spent the money, and we put these facilities out all over the airports.

I remember, at first, people used to complain. "Why do I have to stand in line to wait to go through this thing to get on the airplane?" But by now people know that it works and that it's important. I believe most of you now, if you go to an airport and you see there's no security, it makes you uneasy.

Addressing Security Problems

Think, by the same token, we want to address our security problems in such a way that it's more inviting than ever, in the sense that people say we've taken visible steps to see that the facilities do come into are secure facilities. By the same token, part of our job is to educate the American community over time and to work with you. And this kind of representative group enables us to do that together, and to extend our

ideas and hear yours and share information so that the Americans overseas and the American facilities overseas—not just the U.S. Government ones—can be done as well as they possibly can be.

We've also worked on all sorts of security awareness measures. You, I think, probably will see or have seen the exhibit that is here, and this has become something that we're doing annually. I might say this came about, at least a little bit in part, out of thinking about safety in American industry.

It's a good story. At least, my observation always was that you could take two offices or plants or construction jobs, or whatever, doing more or less the same thing with the same equipment, and so on, and you often would see very different safety records in the two places. The answer to why was always the same: Management and awareness and the getting of people to see that there is a problem and that they can do something about it by paying a little attention to their behavior.

I think I asked you all to be in touch with Du Pont, which I remember has an outstanding safety record and an outstanding approach to it that I happen to know a little bit about. I think it helped us quite a lot in looking at their program and designing one here. So there's a little bit of interaction.

At any rate, awareness, intelligence, and doing things that are taking proper precautions to make ourselves and our facilities as secure as possible are important elements in this picture.

I think there is also an importance to letting the terrorists know that if we can, we're going to make them pay a price. It's not free. [Libyan Col. Muammar] Qadhafi found that out when the President decided to let him know we were here. In all sorts of other ways, through our intelligence, we have managed to let them know that.

I have lost track of the number of terrorist acts that didn't happen because of our intelligence and because of our interdiction. And then also, of course, there is the rule of law.

We have seen the rule of law applied to this problem with increasing effectiveness, and we see people who

are sentenced to life imprisonment, sentenced to death, caught, apprehended, brought to justice, increasingly. The more one country does it, the more other countries take heart. We need to support all of these elements that go with the rule of law.

Extradition treaties are a big part of it, and letting people see they will be extradited to the place where they committed a crime. We have to stand by these things. We had, of course, a tremendous amount of scrutiny and debate about extradition treaties here, particularly one with the United Kingdom recently, but it got done and it's a good thing to have it done. It sends a message to the terrorists: There's no place to hide.

The activity that we've been engaged in together is an important one. Unfortunately, the problem continues, but we have to continue a very strong effort against it. You can be sure that your government will continue a program of making people aware of the problem and that they can do something about it: of pushing our intelligence capabilities as rapidly as we can; of learning as much as we can about how to protect ourselves adequately and sharing that kind of information, and listening to your ideas; and being willing to take the offense against terrorists through the various means that I've described.

Conclusion

Let me just say, in conclusion, again, that I'm glad to see this organization growing. I am very appreciative of your participation. It's a good example of the private sector and the public sector cooperating on a problem that we have in common—sharing ideas, improving the situation on all sides.

I thank you very much for your participation here and throughout the year because while this may be Security Awareness Day, we have to get it across that every day is Security Awareness Day.

¹Press release 232 of Nov. 3, 1988. ■

The Ecology of International Change

Secretary Shultz's address before the Commonwealth Club of California in San Francisco on October 28, 1988.¹

Next week we Americans will carry on, once again, one of history's most remarkable developments: our nation's electoral rite of self-renewal. It happens every 4 years, rain or shine.

Every presidential campaign season leads each of us, whatever our politics, to reflect on our society and our nation's role in the world. This election year, more than almost any in recent recollection, requires our most serious attention. Why? Because we have come to a turning point in world affairs. Enormous changes are underway. As Shakespeare said:

There is a tide in the affairs of men,
which, taken at the flood, leads on to fortune;
... on such a sea we are now afloat,
and we must take the current when it serves,
or lose our ventures.

We have reached this moment in history not because of fate or forces beyond our control but because our own drive and creativity and commitment to freedom and openness brought us here and brought us success. Just look at what has been achieved.

- The shadow of a third world war has faded; for the first time ever, nuclear weapons have been reduced.
- The once-small handful of embattled democracies find themselves growing in strength and number and viewed around the world as the wave of the future.
- The tide of Marxism—and with it, communism as the model for development—is a tide that is going out.
- National economies—once thought destined to be buffeted by chance, disaster, and bitter rivalry—are finding new ways to cooperate and prosper in openness.

And, most significantly for the future, we have entered a new era of revolutionary change.

- Knowledge, and its rapid transmission as information, has become the key to progress; and

- A global process of economic integration is underway, with little regard for national borders and beyond the capacity of governments to control in familiar ways.

All these changes are in our interest—for Americans, as De Tocqueville noted 150 years ago, are eager for change and confident in their ability to master the future.

It is American political, scientific, technological, and commercial creativity and dynamism that has brought us to this point. This is our kind of world, and it presents our kind of challenge. It is a picture of stunning success. But with it have come enormous complexities, uncertainties, and difficulties.

About a year ago, at the World Affairs Council of Washington, I addressed the *scientific and technological dimensions* of the problems we now face [Department of State Bulletin, January 1988, pp. 3-7]. Six months ago, at an annual MIT [Massachusetts Institute of Technology] meeting, I spoke about the need to maintain American leadership in the *new global economy* [Department of State Bulletin, June 1988, pp. 18-22]. Needless to say, these are "must reading" for all serious and responsible Americans. I just happen to have brought copies with me, which you can pick up at the back of the room today. We have called these speeches "Global Trends I," and "Global Trends II." You are now about to get "Global Trends III."

New Political Complexities

So this is the third and final installment. It deals with the *new political complexities* we face as a result of our recent years of accomplishment.

I call this "the ecology of international change." The relatively recent concept of ecology teaches us that our natural environment is interrelated. Beneficial activity in one location can create unexpected problems in another. We increased dependence on coal and oil when people grew concerned about nuclear energy, but now we know that fossil fuels are producing the gases that lead to global warming problems.

We are beginning to realize that we do not live in a world of totally distinct phenomena. It is not a world of yes or no, up or down, this or that. In the past, Americans tended to believe that war and peace were two different situations: We were either in a happy state of tranquility, or we were embarked on a crusade for all-out victory, after which we hoped to retire into inward-looking innocence, spurning "power politics" and all that represents.

In this decade, I believe Americans have come to recognize that we are likely to face either an era of total war or of total peace. Nor does the future hold either an era of perpetual economic success or a destiny of economic decline. We face, instead, a spectrum of often ambiguous challenges, of uncertain possibilities, of fresh developments that overflow traditional lines of control.

I see three areas where new political developments will outstrip old approaches unless we identify what is happening and deal more flexibly with the difficulties involved. They are:

- The Soviet-American relationship: It will not, in the future, be the same kind of rivalry that has taken center stage in world affairs for the past 40-plus years.
- The politics of preventing war: The old diplomacy is not going to be sufficient to meet the novel threats to world security that have already begun to emerge.
- And the nature of nations, their peoples, and their associations is changing the international environment in ways not felt since the birth of the nation-state at the end of the Middle Ages.

U.S.-Soviet Relations

First, U.S.-Soviet relations: The vast differences in histories, cultures, economic systems, governmental systems, force structures, geographical circumstances, and visions of the future held by the two superpowers have transfixed international politics since World War II. I

been not only a rivalry between
ts but a contest between different
els for progress for governments
ywhere. Our achievement has been
duct of open debate, deliberations,
political competition guided by con-
tional processes; theirs, the dictate
massive central authority marked
epression and hostility to free
ical, intellectual, or religious ex-
sion. A nation whose system is the
y of Marx, Lenin, and Stalin bears
at resemblance to one that draws
sration from Washington, Jefferson,
Lincoln.

Under President Reagan's lead-
ship in this decade, we engaged our
et adversary with unprecedented
er and effectiveness.

- We put human rights at the top
or agenda. We left them in no doubt
they could never be accepted as a
onsible nation among nations for so
as they abuse their own people's
s for justice.

- We restored America's military
it; we reinvigorated the morale of
armed forces. We demonstrated the
to put power behind our diplomatic
ch for real solutions.

- We took the accepted notion that
ountry once communist can never
be free" and stood it on its head.
dom fighters everywhere took
t.

- And we showed ourselves ready,
no illusions and no concessions to
euple, to reach solid, negotiated
ements on the range of problems
d strategic arms reductions to con-
t services.

Whatever the assessments of ex-
s may be about what is now hap-
ing inside the Soviet Union, there
some undeniable realities.

- Marxism is discredited as a model
world development.

- Soviet troublemaking in regional
licts has been reduced and even re-
ed, as in the current departure of
Soviet Army from Afghanistan.

- An arms control treaty has been
signed with the Soviets, and our Senate
gave its "advice and consent" to ratify
it. And we have made real progress, as
of this date, in the highly complex task
of concluding an even farther-reaching
agreement—START [strategic arms re-
duction talks]—that will serve our na-
tion's security interests significantly.

- And major developments undeni-
ably are taking place inside the Soviet
Union.

How far those changes go, and
what they will mean to the Soviet peo-
ple remains to be seen. But real change
can only come when an individual or a
government faces up to the reality that:
(a) it has a problem, and (b) it must
change its ways of thought and action.
So listen to what the Soviets them-
selves are saying.

On Human Rights:

The image of a state is its attitude toward
its own citizens, the respect for their
rights and freedoms and recognition of the
sovereignty of the individual. . . . We must
do a good deal to make certain that the
principles of the presumption of innocence,
the openness of a court trial, and ensuring
the full right to defense become deeply
rooted. (Foreign Minister Shevardnadze,
address to senior Foreign Ministry and mi-
litary officials, July 1988)

On Models for Third World Development:

The myth that the class interests of so-
cialist and developing countries coincide in
resisting imperialism does not hold up to
criticism at all, first of all, because the
majority of developing countries already
adhere to, or tend toward, the Western
model of development, and second, because
they suffer not so much from capitalism, as
from a lack of it. (Andrei Kozyrev, Deputy
Chief of the International Organizations
Bureau, Ministry of Foreign Affairs, in an
article in *International Life*, October 1988)

On Regional Conflicts:

Our direct and indirect involvement in re-
gional conflicts led to colossal losses by
increasing general international tension,
justifying the arms race and hindering the
establishment of mutually beneficial, ad-
vantageous ties with the West. (Kozyrev)

On Military Power:

. . . the notion established in the minds
and actions of various strategists that the
Soviet Union can be as strong as any possi-
ble coalition of states opposing it is abso-
lutely fallacious. (Shevardnadze)

On the Rule of Law:

The work of the judicial bodies is of enor-
mous importance. The fate of many people,
the defense of their rights, and the ines-
capable punishment of those who have bro-
ken the law, depend on how accurately the
scales of justice function. . . . It is ex-
tremely important to restore the Leninist
vision of the role of our court in a system
of democracy and strictly to observe the
principle of the independence of judges and
their subordination to law. (General
Secretary Gorbachev, speech to 19th Com-
munist Party of the Soviet Union Confer-
ence, June 28, 1988)

On the Soviet Economic System:

It is well known, that from the late seven-
ties, negative trends in our development
began emerging with increasing clarity.
Socialism found that it had lost its advan-
tage over capitalism in terms of the pace of
economic development. The essence of eco-
nomic reform lies in the creation and an
intensification of economic incentives. . . .
In our conditions, the market is an irre-
placeable instrument for the flexible eco-
nomic coordination of production with the
growing and constantly changing social
needs. (Vadim Medvedev, Politburo mem-
ber, in an October 1988 speech reported in
Pravda, October 5, 1988)

These are communists talking. Their words are important words. Actions will be difficult, and results will take a while. But actions and results start from ideas and words, whether called "new thinking," *perestroika* and *glasnost*, or just plain, pragmatic observation of what works.

Only one conclusion is possible from the facts and from the Soviets' own perceptions of them: The state that Lenin founded and Stalin built is being reconstructed. Soviet leaders deserve credit for recognizing problems and seeking to solve them. The outcome cannot be foretold with precision, but this we do know already—the environment for America's values of peace, freedom, and democracy is healthier than it has been in some time. We and our allies are the rising nations.

Some say we should change our approach because the Soviets are changing. I say we must keep to the course that has brought us success. There are plenty of reasons to be vigilant.

- Soviet military forces are as large as ever. Their defense spending has not decreased. The Soviets still knock on Europe's door with 30,000 tanks parked in the driveway.

- Soviet-supported forces and arms are still contributing to violence and tension, especially in Central America. Half of all the arms shipped to the Third World last year came from the Soviet Union.

- Human rights progress has been dramatic but disappointingly short of international standards, which even the Soviets themselves have accepted.

So the first principle to follow as we face the changes underway is to stay true to our principles. Realism, strength, and diplomacy have been our watchwords throughout the 1980s and will be just as valid for the rest of this century and beyond. We will continue to measure progress in U.S.-Soviet relations through a four-part test: progress on human rights, on regional conflicts, on arms control, and on bilateral relations. The worst thing we could do now, just as our policy is succeeding, would be to accept the *promise* of constructive Soviet policy without the *performance*.

The direction General Secretary Gorbachev has set is one we welcome. It aims to make the Soviet Union a more rational, more lawful and competitive society. Such an achievement, should it come, can benefit not only the Soviet people but all the nations of the world.

But if we are to catch this tide toward a new, more hopeful, and differently structured international scene, we need to look to other principles as well. For beyond the changing U.S.-Soviet relationship, we will encounter other new concerns in the next global era.

What guidelines are needed as we try to comprehend the changing picture before us?

First, we must build on the bulwark of our strength—our alliances with the other great democracies. That means unswerving attention to our military capabilities: nuclear deterrence, conventional forces, and shared defense burdens.

Second, we must seek to widen our circle of like-minded friends. The world's nations increasingly are turning toward more open economies and freer societies, and they are banding together in new multilateral associations. There is no part of the world that I have been more interested in, or worked harder to cooperate with, than that represented by the Association of South East Asian Nations. Our ties to them have been immensely fruitful and filled with potential. We want to help create and tie together such networks all over the globe.

Third, and most important, we need to speak out for, and stand up for, the values that have made us great, that others now emulate, and that can further our success. That means a deepened commitment to the dignity and liberty of the individual, to open trade and market-based economics, and to government by the consent of the people. Let us not be shy about it; the world is catching on to the American way. It is not just our ship that will catch the tide, it's a whole fleet of ships—and America is the flagship of that fleet.

This means we must stay engaged. Those who talk protectionism or isolationism; those who say we should fear foreign competition or investment;

those who say we have no business suing our interests abroad because aren't yet perfect at home—those people couldn't be more wrong. This is time to get out there and get going for our sakes and for a better, safer tomorrow.

The Politics of Preventing War

Second, new dangers in weaponry. Such engagement is more needed ever, for there are new dangers to ecology of the world political body at the point when we have begun to achieve greater strategic stability, lower levels of offensive nuclear arms, and just as we are getting a handle on the proliferation of nuclear weapons, are seeing unexpected correlative dangers appear: the spread of sophisticated missile technology and the use of chemical weapons. These increase the potential for devastation in unstable regions of the Third World. And the conflicts themselves may become far more difficult to contain or isolate.

The availability of sophisticated weapons presents plenty of problems. But two dangers stand out.

The first is the increasing availability on the world arms market of relatively long-range surface-to-surface missiles. In the Iran-Iraq war, we saw Soviet SCUD missiles employed by both belligerents. Across the Gulf, Saudi Arabia is acquiring Chinese CSS-2 missiles with a potential range exceeding 1,500 miles. Elsewhere in the Middle East, as in other regions, states have acquired ballistic missiles. These weapons, which may be thought of as "obsolete" by the superpowers, are nothing of the sort when it comes to regional conflicts. And beyond the arms market, more and more nations will be able to build their own ballistic missiles. Weaponry of enormous destructive potential can reach the hands of parties with little regard for traditional inhibiting controls. With the minimal warning times and often substantial ranges, ballistic missiles now pose significant new threats to the stability of already tense regions. As

ult, established doctrines designed to deter aggression and keep the peace cannot be undermined in more than one way of the world.

The other new danger is the resurgence of chemical warfare—perhaps the most odious and despicable development of our day. Nations are confronted by violations of the just and most widely observed arms control agreement, the 1925 Geneva Protocol prohibiting poisonous gas and chemical warfare—a terrible change for the worse. Yet that is the case. Since World War II, there have been hundreds of conflicts and more than two dozen significant civil wars. But until recently, only a few conflicts—those in China, Afghanistan, and Laos—had involved the use of chemical weapons. Now the scourge is spreading. The Protocol has been repeatedly violated. Nations have stood up and criticized these violations and have sometimes been alone in doing so.

The worst nightmare of all, of course, would be the eventual combination of ballistic missiles and chemical weapons in the hands of governments and terrorist histories. To meet this danger we took the lead to establish, in 1978, the seven largest industrial democracies, a Missile Technology Control Regime in April 1987, putting limits on the transfer of missiles and the means to build them. We have identified this problem in its early stages and gone to work to curb it energetically. As a result, there is hope that the spread of such missiles will be curbed.

To ban all chemical weapons, we are working with 40 nations in Geneva on a treaty tabled by Vice President Bush in 1984. To further this effort, President Reagan has called for a conference to strengthen the 1925 Geneva Protocol, and France has agreed to host the conference in January. Our aim will be to reverse the erosion of respect for international norms which have held the line against the illegal use of such hideous weapons.

Vice President Bush has announced a six-point action plan that combines international cooperation, tough penalties, and missile defense systems. A time when ballistic missiles are proliferating is no time to listen to those who cannot understand the need for defense against them.

The Imperative of Cooperative Effort

These new problems threaten the ecology of civilization and political reason. They call for:

- Engaged American leadership, to build
- Broad international cooperation, backed by
- Tough measures of enforcement.

These steps may sound obvious and simple. I can assure you they are not. We know this from the experience of our fight against the scourges of terrorism and drugs. Last year, terrorism claimed over 3,000 casualties in 80 countries. The terrorists, in all too many cases, work with drug traffickers, whose immense funds provide the money to finance the muscle of terror. Together, they assault civilized societies. We and other countries must and do apply strenuous and increasing effort to win the war against drugs and terror. For the United States, the sweeping Anti-Drug Abuse Act of 1988 marks a new level of commitment to say "no" to drugs. All aspects of the challenge are addressed: demand, education, law enforcement, and international cooperation.

But no country can deal with these problems alone. They respect no boundaries. So we take the lead to build international cooperation on intelligence and to apply pressure on states that use terrorism. We establish the conceptual recognition that terrorists and drug traffickers are criminals. We apply the rule of law and, through international cooperation, extend its reach so that there is no place to hide.

Cooperative international regimes are required. To build them takes immense energy, a worldwide effort, and heretofore unfound readiness to put aside old habits of thought and behavior limited to narrow nation-bound concepts.

From the first recorded treaty in 3100 B.C. between two Mesopotamian city-states, to the philosophic urgings of Grotius in the 17th century, to the efforts toward international law and cooperation of my predecessors—Elihu Root, William Jennings Bryan, Charles Evans Hughes, and others in the first part of this century—the hope that nations would cooperate for peace has sprung eternal and, just as eternally, has fallen short of the dream.

The clear fact is, however, that all nations face a new imperative. In a way, our global society of states is not unlike our early American states when Benjamin Franklin said: "We must all hang together or, most assuredly, we shall all hang separately."

It is the *people* of the world who are telling us this. Their activities; their aspirations; their social, cultural, and spiritual associations are spilling out beyond the boundaries of conventional politics. They represent, in many respects, the most significant challenge of all.

The international political system we have today is several centuries old. Its key concepts are:

- The nation as a unit;
- The state as its political form;
- Well-defined borders as its geographical expression;
- The allegiance of its citizens to give it strength; and
- A patriotic focus to give them identity.

Today, people are pushing on this system from different directions. Sometimes it's through mass migratory movements. In other instances, people bewildered by change seek an identity beyond the state, such as religion or ethnicity. And what is happening to

traditional concepts of national sovereignty in a world of instantaneous satellite communications and global financial networks? Human and corporate connections are being forged that transact more business in more unorthodox ways than governments can comprehend or catch up with.

But, at the same time, people whose dreams for national self-determination have been frustrated see new opportunities for self-assertion. Rigid governments face the alternatives of political pluralism and economic reform or violent resistance and rapid decline. The problems of managing these tensions can be seen all over the world, and they are difficult to handle. Look at Fiji. Look at Sri Lanka. Look at what's happening in Latvia, Lithuania, and Estonia.

What we see is a paradox. National borders are transcended by the forces of change, even as nationalism grows more intense. National sovereignty has never been more cherished, even as sovereign prerogatives must yield to new global realities.

Prime Minister Thatcher addressed this when she spoke at Bruges last month on the coming single market in Europe. She said that "willing and active cooperation between independent sovereign states" is the best way to build an international community.

Sooner or later, nations will orient themselves to a world grown too small for violent conflict and too big for rigid attitudes, wild ambitions, and self-centered policies. Sooner or later, governments will be forced to see that joining with others is the only way to meet the challenges of the future.

Our diplomatic imperatives must be to use what has worked, such as collective security, while recognizing that new tactics may be required. For most problems, the answer can only be found in a pragmatic working-out. There are no blueprints because we are, as yet, too unfamiliar with the terrain to know where or how to build.

This gives me heart. The American philosophy is pragmatism. Pragmatism dictates that problem-solving be a cooperative process—just as our pioneers

came together to work as one when a prairie house had to be built.

This century has not been free to freedom, or to democracy, or even peace. The environment for those uses began to improve when America long content to cultivate its own garden, became fully engaged. Now, at the near the end of the century, the environment is changing, and changing for the better—with critical help from our engagement.

When we have kept that in mind in the past, we have succeeded. My message is one of change, of hope, of the challenges of a bright new world. It's also a call for continued American engagement with our allies and friends, and, yes, our rivals to bring that new world to its promise. That's what we can give to ourselves, to our children and to our grandchildren—the environment of peace and freedom.

¹Press release 229 of Oct. 31, 1988

The Inter-American System: Into the Next Century

Secretary Shultz's statement before the General Assembly of the Organization of American States (OAS) in San Salvador and news conference on November 14, 1988.

SECRETARY'S STATEMENT¹

As the General Assembly gathers in San Salvador, we all pay tribute to [Salvadoran] President Jose Napoleon Duarte, a leader whose achievements embody the highest ideals of this organization. He is a man of vision and courage. He is a man who understands the challenges faced by the people of this hemisphere. He understands that peace requires both democracy and development. President Duarte is a man of justice. We salute him as we all did this morning.

This has been a decade of momentous developments. The most important is the democratic revolution: Elected civilians have replaced almost all the mil-

itary rulers in our member states; more than 300 million people have voted in 50 elections since 1980. But dramatic events have taken place in other areas as well: in defense of human rights, in economic reform, and in the search for social justice.

Sometimes, of course, our labors have seemed like those of Sisyphus, with new problems and crises appearing at every turn. But for all that, it has been a decade in which the ideals expressed in the Charter of this organization have found new hope of realization.

As the inter-American system approaches its centennial, it is, therefore, important to take stock of what we in the Organization of American States are, what we have accomplished, and what needs to be done in the period ahead. Progress achieved in diverse areas—narcotics, technical cooperation, human rights, democracy—is impressive. But our business is far from finished.

The challenges we face are becoming more acute. Changes in global political and economic relations portend new forms of cooperation and peaceful petition. We must prepare ourselves and our peoples for the next century. We must start by dealing successfully with the problems of today.

The Challenge of Democracy

This hemisphere is now a place of hope for most of its citizens. Tyrannies have toppled, and militaries have returned to the barracks. Over 90% of the people of the Americas enjoy the blessing of democratic government. For many nations, the democratic transition is moving into its second generation. Today, parties alternate power within democracies and through elections. It passes from one elected government to another.

We are seeing that process take place in the United States right now. As we move into the second gener-

democratic governments, we still face many challenges—and some unique opportunities. The issues of debt, drugs, agencies, political violence, and unmet social needs will test our democratic systems.

But these issues can be addressed collectively. The time is right for a new diplomacy—a diplomacy based on democratic solidarity and on the aggressive efficacy of democracy by democratic means. Solidarity means mutual support. Sometimes it means going out on a limb to pressure nondemocratic governments to open up. The odd men out in this hemisphere know who they are; they are the states that are suppressing democracy and denying their people freedom, openness, and liberty that the rest of us enjoy. We need to confront these states with a diplomacy of democracies, for democracy. Democratic solidarity is not a vague notion to the OAS. Our Charter makes it the foundation of inter-American solidarity. If new democracies are threatened, we must rally to support them. The message must be crystal clear. No would-be coup plotters are going to overthrow a democratic government—whether they be of the left or the right, civilian or military—we will not count on our indifference.

I must be frank. This organization has not always been out front on issues concerning democracy. Too often it has been one step behind when it has needed to be one step ahead. As we challenge governments to adopt democracy, we need to hold them to their promises and commitments. No one is fooled by empty promises. I need not remind members that this organization that commitments to a "pluralistic" political system were made by Nicaragua to this body as long ago as 1979. Those earliest commitments have not yet been fulfilled.

At Esquipulas in 1987, the Central American presidents committed themselves to advance democracy in their countries. They put an end to the notion that active support for human rights and democracy is somehow interference in internal affairs. Agreements were made; promises have been made. The dictators and the totalitarians must be held to account that they are not free to subjugate the peoples. A diplomacy of democratic solidarity must ensure that promises and commitments are kept.

The Challenge of Debt

The future of democracy in Latin America depends on more than the political will of its people. Consolidation of democratic government also depends on strong, growing economies and on the prospect of better lives for this and succeeding generations.

This decade has given us all cause for reflection about the impact of debt on economic growth. But it has also, I believe, given us tools with which to address the obstacles we face. Three considerations help define the problem.

First, the answer to debt is development and economic growth. We all know that growth requires investment. We all know that the more internal savings a country can generate, the better, because the only way we can have investments is saving. Savings, and the capital and equity flows from abroad to supplement them, will occur only if a country offers a proper economic environment. I'm just saying what is obvious.

A country can test itself on its progress. Do its own savings stay home, and are they applied to its own capital needs, or do savings end up as a terrible drain in the form of capital flight? Are investments made in needed infrastructure and productive sectors? Is private domestic capital returning from abroad rather than continuing to flee?

If the answers are positive, the country has begun its journey toward growth. If the answers are negative, the country should take a hard look at its domestic policies and ask: Has economic reform been as thorough and comprehensive as possible? Are structural and regulatory rigidities still a stubborn reality? Are incentives to work, save, and invest adequate?

Second, reforms are essential, but they must also be realistic—a point that many of you have made. Neither debtors nor creditors should make the mistake of viewing adjustment programs as cost free. But if the immediate visible impact of changes in economic policy is hardship at home to keep up service on this debt, then that debt service can have the effect of a marginal tax on economic reform. Any effort taxed at 100%, or at any excessively high rate, will be discouraged and become politically difficult to sustain. So we have to ask ourselves: What is the marginal cost?

Third, and most fundamental, cooperation is essential. Creditors and debtors are in this together. Private and public lenders have a role, as do

governments through bilateral and multilateral lending.

Creditors and debtors alike need to understand that adjustment takes time. In the early stages, while the pain of reforms is often only too visible, the benefits of essential reforms are often hard to see. At such times, the goal of debtors and creditors alike must be to work together to ensure that both the domestic and the external environments support reform efforts.

For our part, recognizing that external factors play a vital part in the growth equation, we intend to continue to keep our markets open for the goods and services of expanding Latin economies. From the onset of the debt crisis, the United States has imported \$43 to \$50 billion in goods and services from this region each year. Latin America has maintained a trade surplus with us of between \$13 and \$21 billion a year.

The new Trade Information Service of the OAS is an important initiative for getting the most out of our trade relations. Stimulated by a million-dollar grant and gift of equipment from IBM, the service uses computers and satellites to transmit current information about trade opportunities and regulations to businessmen, chambers of commerce, and governments throughout the hemisphere.

This new OAS service should be implemented rapidly and expanded to include trade rules and regulations for all the major trading countries—Europe and Japan as well as all OAS members.

The more open our markets—not only our market but your market—the more useful this information will be. All of us have a stake in the success of the Uruguay Round of multilateral trade negotiations; we must all commit ourselves to a gradual but meaningful opening of our markets and more liberal trading rules.

There is no quick fix or single grand solution to the problem of debt and growth. The Mexican/Morgan Guaranty bond plan and the Brazilian bank package—just referred to by the Brazilian Foreign Minister—are innovative approaches to meeting financing needs. The menu of options enables debtors and creditors to develop alternatives ranging from innovative new lending to voluntary debt conversion techniques to meet diverse needs.

The United States will continue seeking to help debtor countries to manage the debt and implement needed policy changes.

The Drug Problem

Even as societies turn to democracy, reform their economies, and deal with their debt problems, they are beset by the growing danger of drugs. The consumption of illegal drugs is a pervasive evil, poisoning public and private life throughout our hemisphere. Drug trafficking is international. A vast network links growers on the slopes of the Andes with users on the city streets in North America. It is an evil business that undermines law and democracy and human dignity wherever it touches.

The answer begins at home—I'm talking about the United States now. The omnibus drug bill that became U.S. law last month embodies a new level of commitment against illegal drugs in the United States. As the largest single market for illegal drugs, the United States has a special responsibility in this struggle—a responsibility fully as great as that of the producing countries.

Our First Lady, Mrs. Nancy Reagan, made this clear last month at the United Nations when she said: "It is the United States which bears responsibility for its own drug problem. I am not blaming other nations for America's drug problem. While most of the illegal drugs are imported, the drug users are home grown.... There can be no substitute for focusing on the user, which is also a loser."

Individuals must say "no" to drugs. So, too, must nations. International cooperation is essential. All of our nations will participate in the upcoming conference in Vienna to negotiate a convention against drug trafficking. We must negotiate a strong, effective treaty that will defeat the drug traffickers by principled and concerted action.

Other forms of cooperation can also work. In August, 29 Latin American and European nations teamed up to crack down on drug cartel operations. In 1986, the OAS approved a program of action against drug trafficking and abuse. We created the OAS Drug Commission (CICAD) to provide member states with basic information on drug abuse and trafficking and to heighten popular awareness of the dangers of illicit drugs.

The OAS must continue to make a strong contribution to the overall fight against drugs. For 2 years, the United States has made voluntary contributions to this program; we hope the organization will intensify its efforts and

increase their effectiveness. We would urge that cabinet-level ministers meet as soon as possible this coming year to energize this narcotics effort.

A History of Cooperation

Now let me speak about the inter-American system, particularly looking ahead to the next century. The record of inter-American cooperation—on issues as profound in their day as drugs and debt—is one of achievement.

- In 1903, we organized the Pan American Sanitary Bureau, which became so successful it served as the model for the World Health Organization.

- In 1935, we launched together a new trade policy that helped bring the world out of a deep depression. And we united in the face of external aggression.

- After World War II, the OAS provided a model for the United Nations. And the Rio Treaty provided the precedent for NATO.

- In the late 1950s, through an initiative in the OAS, we created the Inter-American Development Bank.

- In the 1960s, we launched an innovative concept important to worldwide trade expansion—namely, the generalized system of trade preferences.

- At Tlatelolco in 1967, Latin American countries negotiated the first regional obligation to restrict nuclear weapons.

- In 1969 and throughout the 1970s, OAS peacekeeping missions helped end the conflict and maintain peace between El Salvador and Honduras.

- Today, a network of organizations is at work to make democracy and human rights an enduring achievement—namely, the Inter-American Commission on Human Rights, the Inter-American Court, the Human Rights Institute, and the Center for Electoral Assistance and Promotion.

This record makes clear that we are united by far more than the accidents of geography. The vision that has guided our system of nations through the first century of cooperation must continue. We must bring to the contemporary challenges of democracy, debt, drugs, hemispheric security, development, and social justice the strength of purpose and commitment to progress that have characterized our efforts in the past.

The Challenge Ahead

We must also recognize that the cumulating changes that are a central fact of the modern world will also shape our efforts in the future. The pace of change is accelerating constantly. Many new groupings—the Caribbean Community and Common Market, the Andean Pact, the Organization of Eastern Caribbean States, the Group of Eight—have emerged in the past generation. Subregional cooperation is entirely compatible with the ideals of the OAS. It reflects the changes taking place around us, and it enables us to improve regional and global cooperation as well.

To work, and work well, into its second century, this organization, too, must change. My government intends to work closely with Secretary General Baena Soares to revitalize the OAS. I believe a task force of foreign ministers could help us to define the priorities of this organization and give the member governments the incentive to provide the resources to achieve those priorities.

We have in the OAS the instrument to define a framework of our relations. We must use it. This General Assembly should not compete with the General Assembly of the United Nations. They're going out at the same time. In fact, our regional organization should complement and even help shape our participation in the world organization. That implies, to give an example, that this assembly might be more effective if it were to meet in the second instead of the fourth quarter of each year.

Our hopes and plans for the OAS depend on adequate funding. As Secretary of State, I have sought full support for the OAS in our government and Congress. The United States will continue to try to do its part. We will ask in the President's budget for full funding of our assessed contribution to the OAS in 1990.

From the start, the OAS has been part of our efforts to make freedom, peace, and development lasting conditions of life in the Americas. It has sought to realize the promise inherent in the discovery of the "new world" 500 years ago: a refuge from tyranny and a place of hope and opportunity.

Today, we are on the threshold of another "new world" created by discoveries in science and technology. This new world promises changes as great and momentous as the earlier discoveries of the Americas. We can find freedom

opportunity in those changes if we responsive to the challenges that before us. Working together, we can advance her.

Proud of the progress of human s and democracy, we cannot take for granted and must sustain widen them until they are enjoyed l.

Aware of the burdens of debt, we redouble our cooperation to make reforms needed to restore growth.

Conscious of the dangers of s, we must fight them without er from the city streets to the isolated of rural hamlets.

Awake to the potential for coop-on among free nations, we must realize the OAS and regional and gional efforts generally.

Above all, mindful of the hope for justice, freedom, and liberty that rates our peoples, we must keep grand objectives at the center of gendas.

Never before have we been as close pieving the historic mission of the ricas: "to offer to man a land of ey, and a favorable environment for evelopment of his personality and ealization of his just aspirations." work remains, but we are up to hallenge.

SECRETARY'S NEWS CONFERENCE²

ne say first to President Duarte d he people of El Salvador our ats for being such gracious hosts for isneeting, and our admiration for is being done here. I can't help ricularly but reflect on the courage o trength of President Duarte, ne dedication and energy and drive delflessness come through to you, inspiration. If there are ques- r, I'll be glad to try to take them.

Q. The United States has given stance for \$3,000 million to El dador in the last 6 or 7 years. The ucontinues, the Christian Demo-a are not having much success ac- ing to the polls. The question is v have had success in our efforts hat we have tried to do here in El dador.

A. I think the people of El Sal- or have accomplished miracles. First , they have put into place a work-

ing democracy, where governments are put into place and changed according to an election, in which the people of El Salvador have taken part—in very heavy proportion. So that is number one.

Number two, they have got their economy back into real growth. It is a slow, hard process, but nevertheless, has contrasted with say Nicaragua, which is in a total downspin. They have real growth taking place with inflation coming down and more or less under control.

Number three, they have a commu- nist opposition that is heavily armed and supported from outside the country and which has over a period of time disrupted life here, and they have taken that military opposition to democracy on. And, in full recognition that the problems are not solved, they have made great progress. So, I think that what we see here in El Salvador, as in the rest of Central America, is encouraging.

The discouraging part is not so much here as it is in Nicaragua, where we see people living under clear, ob- vious repression, with standards of liv- ing roughly half that when the present government took over. And with a country dedicated to a gigantic military machine and which is disrupting its neighborhood. That's the problem.

Q. Among El Salvador's principal political parties, one of them is in favor of escalating the war here in El Salvador. If that were to occur, my question is, if the United States would continue supporting El Sal- vador at present levels regardless of how the next government decides to combat the guerrillas, and if there would be some way of carrying out the war that would lead to a reduc- tion of U.S. military assistance?

A. I can't comment on a specula- tion about what might be so a year from now or 2 years from now. It's im- possible, but I can say this: What we support is the democratic process. It is up to the people of El Salvador to de- cide on their government leaders. They do that through a vote. We support the process, and when the process has been concluded, we will support the outcome that has been produced by the people of El Salvador.

Q. Just a few moments ago, you called for a new diplomacy in Central America. I would like to know if this includes U.S. military support for the *contras*.

A. We believe that people who are ready to fight for decency, democracy, freedom, justice in their own country deserve support. We'll continue to sup- port them. The kind of diplomacy I'm calling for is an expression of solidarity by people who believe in democracy; a diplomacy that calls upon people to live up to the things we have agreed to.

Just as in Europe, we point to the Helsinki Final Act as a solemn commit- ment on the part of all the governments that signed it. So too here. Esquipulas II, for example, should be taken as a solemn commitment by all governments that signed it, and we should hold them to those commitments.

I will give an example of the soli- darity of democracy in diplomacy, and that is the decision by the Group of Eight to exclude Panama from its meet- ings so long as the present regime is there. That's expressing yourself in a clear definitive way about a problem re- lated to democracy.

Q. You have said that you believe that the government of President Rea- gan has supported the Arias plan, but President Arias says he thinks he will get along better with President Bush. You know both men—the President, as well as the President-elect—and I would like to ask you if you see any difference between them about their position with regard to support for the *contras* and the situation in Central America. Do you see, perhaps, a change in tone?

A. President-elect Bush has played a strong part in the development and implementation of U.S. policy toward Central America. For example, here in El Salvador, in helping develop a strong move for the protection of human rights, he did a very great job. We have made a lot of progress in seeing the growth of democracy, human rights, and economic development in Central America, but there is work still to be done. And it will fall to President-elect Bush to do it. I'm sure he'll do it in his own effective way. But I'm not in a position to describe it, that's for him and his Secretary of State and others to do.

It should not be overlooked that during the election campaign, Presi- dent-elect Bush expressed his strong support for the freedom fighters in Nic- aragua—the *contras*.

¹Press release 241 of Nov. 16, 1988.

²Press release 242 of Nov. 16. ■

Visit of Mali President



President Moussa Traore of the Republic of Mali made a state visit to the United States October 5-9, 1988, to meet with President Reagan and other government officials.

Following are remarks at the welcoming ceremony and dinner toasts made by the two Presidents on October 6.¹

ARRIVAL REMARKS²

President Reagan

It's an honor and a pleasure to welcome you on your first official visit to the United States. You and all the people of Mali are good friends of the United States. In addition to deeply appreciating your support on international issues, we admire Mali as a country where people of different ethnic and religious backgrounds respect each other and live together in peace.

You and your country have also courageously embarked on an economic reform program. As a result, Mali has been one of the major aid recipients in Africa, and we're pleased to have been able to assist you with this program.

We're also pleased by your visit because you represent not only Mali but also the Organization of African Unity (OAU), of which you were recently elected chairman. And we ask you to

accept our congratulations on your election to this important post. Earlier this year, the OAU celebrated its 25th anniversary. During its history, the OAU has played a vital role in resolving regional conflicts in Africa and has helped African countries to work together to solve problems and promote economic development. Under your leadership, I'm confident the OAU will continue with these crucial activities. You have already demonstrated interest in helping to promote regional settlements in southern Africa and the Western Sahara. We hope the OAU can play an even more active role in solving those regional problems and play a key role in promoting development in Africa by encouraging economic reform and cooperation.

I understand there is a Malian proverb that goes: *Bolokoni kelen te bele ta*—One finger cannot lift a rock. I think this proverb expresses perfectly the goal and the strength of the Organization of African Unity. Africans must pull together and work together. And we wish you and the OAU great success in working together to achieve common goals during your time as chairman and throughout the OAU's next 25 years.

We look forward to talking with you over the next few days not only about bilateral concerns and African regional issues but about concerns we

share in other parts of the world. In Africa, I believe, which represents nearly one-third of the member nations of the United Nations, truly has come of age as a participant in the international area.

Let me say again how pleased we are to welcome you to the United States. We wish you an enjoyable and profitable visit.

President Traore³

I should like on behalf of my delegation and my own name to express my sincere thanks to you for the kind invitation extended to us to visit this nation, the United States of America.

Our visit meets two concerns; first of all, the concern of making even stronger the friendship and solidarity which have been a trademark of relations between our two nations. May I cite in this connection Vice President Bush's memorable visit in Mali on March 8th and 9th, 1985. It was for people tangible evidence of the unwavering commitment of the United States to the Republic of Mali. May I now express my honest wish to bring the American people in my capacity as president of the OAU a message of friendship from the peoples of Africa. Indeed, over and above the worldwide role played by the United States, there are between your nation and the African Continent human, cultural, and spiritual relations becoming stronger every day, to the greatest benefit of American and African peoples.

I know for a fact that my visit will give us a chance to discuss together the major issues of common interest. I am convinced that our discussions will enable us to make progress in the search for a solution to the problems which are of concern to both our sides.

DINNER TOASTS

President Reagan

It's a pleasure to welcome you here this evening. We're honored by your visit to the United States, both as the President of Mali and as the chairman of the Organization of African Unity. During your visit, we've been discussing issues of concern to Mali, the Organization of African Unity, and the United States. And I'm gratified that you share our concerns about regional stability and economic development in Africa. And we've appreciated your efforts to promote peace and development.

White House photo by Pete Souza

I want you to know that we'll continue to work with you and be as supportive as possible in addressing these issues. But Africans and Americans do not just share a concern for various international problems. We share a rich cultural heritage as well. One out of six Americans trace their ancestry to Africa. And indeed all of us are very proud of that African heritage and are eager to learn more about the African cultures from which they came.

I think this points to another common cultural thread between Mali and the United States. Mali has a proud and ancient history. It had three empires before Europeans first settled in what is now the United States. Malian explorers sailed the high seas and may even have visited America. All Americans, even if they know little else about Africa, have heard of the great and historical city of Timbuktu. It once meant to us a distant place. Your visit has brought both our nations closer. Mali, like the United States, is a country made up of people from different ethnic and religious groups. We admire Mali's respect for diversity that is both in its constitution and in practice.

Americans believe that the ethnic diversity of the United States is one of our country's greatest strengths. And I think this is best summed up in one of our proverbs: One person, one thought; two persons, two thoughts. From the ideas of many different people and the freedom to express those ideas comes the strength of a nation.

I look forward to continuing to share ideas with you. By exchanging ideas and working together with the leaders of a great and ancient continent, I believe we can find solutions with a human face to the problems confronting the world. I salute you as a good friend, a great leader of your people, and as the chairman of the Organization of African Unity.

President Traore³

May I on this occasion renew my very sincere thanks to you, as well as the thanks of my delegation for the warm welcome and very cordial hospitality that we have been enjoying ever since we arrived in the United States, this great and beautiful land of freedom.

Mali and the United States have excellent relations in the areas of political, economic, social, and cultural relations. The many agreements for cooperation between our two countries cover a wide range of fields of activity, and they fall very

clearly within our strategy for development. We seek, first of all, self-sufficiency in food production, control of our water resources, breaking away from the landlocked situation of our country, both domestic and foreign, and training our human resources.

I'm happy to salute here the very valuable assistance that your government has been extending to us in securing these objectives. In order to have a better performance for our economy, we have undertaken, together with international financial institutions and friendly nations, a very profound and exhaustive reform which touches upon all sectors of development, public finances, state-owned enterprises, development of the rural area, and private sector. Basically, we are seeking to mobilize all energies and all the creative potential of the people—Mali. The people of Mali, just like the people of the United States, have a very highly developed sense of enterprise.

Concerning Africa, our principal concerns remain the total liberation of the continent and the social and economic development. Recent trends in southern Africa allow us to think that it may soon become a reality that Resolution 435 may soon become implemented helping Namibia accede to independence. The international community must spare no effort and gather all its strength in order to force the Government of South Africa to comply with the requirements of the implementation of this pertinent resolution. Side by side with the fighters of South Africa, the Organization of African Unity will continue to struggle for the taking down of the intolerable system of apartheid. We seek to establish in South Africa a more human, more just society which has been rid of all forms of segregation.

In this connection, Africa enjoys very much the ever-growing support of the great American people. Your constitution, your democratic traditions have inspired many people throughout the world.

In the economic area it is urgent to find a just and lasting solution to the problem of the African debt. Thus, the Organization of African Unity has been calling for the convening of an international conference on that issue. In solving the problem of the African debt, we will have to factor in the issue of raw materials and commodity prices as Africa is a producer because it is only through a just remuneration of their production that the African nations will

secure the steady resources necessary to their development and to payment of the debts.

May I, in closing, ask you to raise your glass with me to the health of President Ronald Reagan, to the health of Mrs. Reagan, the strengthening of the friendship between our two nations, and closer bonds of cooperation and solidarity among all people of the world.

¹Texts from Weekly Compilation of Presidential Documents of Oct. 10, 1988.

²Made at the South Portico of the White House where President Traore was accorded a formal welcome with full military honors.

³President Traore spoke in French, and his remarks were translated by an interpreter. ■

Emergency Relief to Sudan

DEPARTMENT STATEMENT, NOV. 17, 1988¹

A major human catastrophe continues to unfold in Sudan. The world is witnessing famine that is the result not of nature but of endemic civil war and the failure to distribute available food. As a result, many innocent Sudanese are dying.

We urge parties on both sides of the war and all friends of Sudan to participate in a massive and urgent effort to end the suffering and starvation of civilians in southern Sudan who have lost the means to survive on their own.

The United States is encouraged that the International Committee of the Red Cross, with the cooperation of the Government and the Sudanese People's Liberation Army (SPLA), is planning to provide relief to civilian victims on both sides of the war zone. But it is only a first step. Action on many fronts will be needed to halt starvation.

We urge the Sudanese Government and the SPLA—despite their political differences—to participate with donors and the private voluntary agency community to meet the challenge of providing and administering relief to those in critical need, regardless of where they are.

¹Read to news correspondents by Department spokesman Charles Redman. ■

South Africa Accepts Angola/Namibia Accord

DEPARTMENT STATEMENT,
NOV. 22, 1988¹

We are pleased to confirm notification by the Government of South Africa that its Cabinet has accepted the schedule for total Cuban troop withdrawal from Angola negotiated under U.S. mediation in Geneva last week. With this step, all three governments involved in these talks have signaled their acceptance of the Geneva understandings. The way is now clear to completion of the negotiations and the signing of the interlocking set of agreements the parties have agreed to conclude.

South African, Cuban, and Angolan delegations are currently conferring with each other and with UN officials in New York to prepare for a final round of negotiations in Brazzaville. The United States continues to mediate discussions between the parties.

¹Read to news correspondents by Department spokesman Charles Redman. ■

Krasnoyarsk Radar Discussions

DEPARTMENT STATEMENT,
NOV. 2, 1988¹

The Krasnoyarsk radar is a significant violation of a central element of the ABM [Antiballistic Missile] Treaty. We have made clear to the Soviets that the violation must be corrected without delay or preconditions.

Last week, the United States agreed to a Soviet proposal to have a meeting of technical experts in order to listen to Soviet proposals and to clarify Soviet positions on actions they are prepared to take to correct the Krasnoyarsk problem. We had hoped that they were prepared to meet U.S. concerns about the radars.

That meeting of U.S. Soviet experts on the Krasnoyarsk radar violation ended on November 2. We listened to what they had to say. Unfortunately, the Soviet experts did not have any new proposals that addressed our concerns and could not answer U.S. questions about how they would correct the Krasnoyarsk radar in a verifiable manner that meets U.S. criteria. We

have made clear to them that any satisfactory solution of the Krasnoyarsk violation must:

- Reestablish the lead time acceptable to the United States that was the purpose of the LPAR [large, phased array radar] provisions of the ABM Treaty; and
- Must verifiably remove all treaty prohibited radar capability.

Based on what we have heard to date, we continue to believe strongly that the U.S. criteria can only be met by dismantlement of the radar and destruction of the transmitter and receiver buildings, including their foundations.

We continue to reserve all our rights under international law to take appropriate and proportionate responses to the Soviet violation. We have not foreclosed the option of deciding that violation to be a material breach.

¹Read to news correspondents by Department spokesman Charles Redman.

Conference on Chemical Weapons Use

WHITE HOUSE STATEMENT,
OCT. 21, 1988¹

French Ambassador to the Conference on Disarmament Pierre Morel announced yesterday to the UN First Committee in New York that France will host the Conference on Chemical Weapons Use in Paris from January 7 to 11, 1989. The conference is aimed at focusing worldwide attention on the problems of chemical weapons use and proliferation, and helping to put a stop to the abhorrent illegal use of these weapons.

President Reagan proposed such a conference in his speech at the United Nations on September 26, calling on all concerned nations to consider actions we might take together to reverse the erosion of respect for the existing norms against the illegal use of chemical weapons. Recent expressions of support for the idea of holding this conference by nations from various regions indicate that many others share our concern. We hope that nations attending the conference will reaffirm their

political commitment to comply with existing prohibitions on chemical weapons use. We also invite those nations which have not done so to adhere to the 1925 Geneva protocol. The purpose of the conference is neither to change the Geneva protocol in any way nor to single out any country for its previous actions.

The United States remains committed to the negotiation of a comprehensive, effectively verifiable, and truly global ban on chemical weapons. Such a ban would be the best solution to the threat posed by illegal chemical weapons use and proliferation. We hope that participants in the conference will express their support for the continuing negotiations for a ban at the 40-nation Geneva Conference on Disarmament.

The United States welcomes the action by the Government of France to host the conference and will make every effort to ensure that it succeeds. Secretary of State Shultz will lead the U.S. delegation to the conference.

¹Text from Weekly Compilation of Presidential Documents of Oct. 31, 1988.

S. Review of Relations with the Democratic People's Republic of Korea

DEPARTMENT STATEMENT,
OCT. 31, 1988¹

President of the Republic of Korea, Roh Woo, has recently made several constructive suggestions concerning relations between the Republic of Korea (R.O.K.) and the Democratic People's Republic of Korea (D.P.R.K.). Furthermore, in his speech to the UN General Assembly on October 18, and in his declaration of July 7, President Roh called for joint efforts by the Republic of Korea's friends and allies, including the United States, to help draw the Democratic People's Republic of Korea out of isolation and encourage it to abandon longstanding policies of confrontation and violence. The U.S. Government is announcing several steps regarding relations with the Democratic People's Republic of Korea.

The U.S. Government will encourage unofficial, nongovernmental visits to the D.P.R.K. in academics, sports, culture, and other areas so long as prospective D.P.R.K. visitors are eligible under our visa laws.

To facilitate the travel of U.S. citizens to the Democratic People's Republic of Korea, the U.S. Government will be reviewing financial regulations affecting travel to the D.P.R.K. with a view toward permitting travel services for exchanges and group travel on a case-by-case basis. The United States is not able to offer consular protection or services to U.S. citizens who travel to the Democratic People's Republic of Korea.

We are reviewing Commerce regulations with a view toward permitting certain limited commercial exports of humanitarian goods to the D.P.R.K. on a case-by-case basis. U.S. law already permits the donation of certain humanitarian goods such as foodstuffs, clothing, and medicine.

General commercial trade remains unlawful; it remains regulated strictly under provisions of the Trading With the Enemy Act and the Export Administration Act. Furthermore, the D.P.R.K. remains on our list of states which support or are engaged in international terrorism. Its behavior in this

area is something we will continue to scrutinize closely.

The Department of State is instructing U.S. diplomats that they may once again hold substantive discussions with officials of the Democratic People's Republic of Korea in neutral settings. We issued such guidance in September 1983 and March 1987 in the hope that such contacts could lead to increased mutual understanding and perhaps, eventually, to improved relations. These hopes were not realized and the guidance was withdrawn. We are again authorizing substantive diplomatic exchanges.

We have taken these steps in close consultation with our R.O.K. ally and with other interested parties. We have informed the Governments of the People's Republic of China and the Union of Soviet Socialist Republics and asked that they convey our views to the Democratic People's Republic of Korea. We look to that government for a positive, constructive response.

¹Read to news correspondents by Department spokesman Charles Redman. ■

Cambodian Independence

PRESIDENT'S STATEMENT,
OCT. 18, 1988¹

I have today signed H.J. Res. 602, which expresses congressional support for the restoration of a free and independent Cambodia, the withdrawal of Vietnamese troops from that country, and the protection of the Cambodian people from a return to power by the Khmer Rouge. I welcome this clear statement of principles on a subject on which we are all in agreement.

I note that the resolution is properly cast in admonitory terms and accordingly must be interpreted as a nonbinding expression of the sense of the Congress. I disagree with the wording of certain clauses, which, as

written, could complicate our efforts to work with other governments to achieve the objective we all seek: to prevent the Khmer Rouge from ever again being in a position of absolute authority from which to wage its rule of terror over the Cambodian people. I have, however, signed this legislation because it makes clear that the United States will continue to do everything possible to assure that the Vietnamese occupation of Cambodia is brought to an end and that effective guarantees are put into place to prevent the Khmer Rouge from ever again taking control of Cambodia.

¹Text from Weekly Compilation of Presidential Documents of Oct. 24, 1988. ■

Global Economic Integration

by John C. Whitehead

Address before the Economic Policy Council of the United Nations Association of the USA on September 20, 1988. Mr. Whitehead is Deputy Secretary of State.

I am very pleased to have this opportunity to address the annual plenary session of the Economic Policy Council of the United Nations Association of the USA. That's a big nametag denoting big responsibilities. My remarks, however, will be reasonably brief, even on so broad a subject as "global economic integration."

I would like to explore the following points:

- The basic forces promoting freer trade and economic integration since World War II;
- The damage national governments do when they try to frustrate economic integration; and
- The current challenges threatening integration and global prosperity.

Finally, I want to say a few words about the relative position of the United States in the world economy.

Understanding Global Economic Integration

The globalization of our daily lives is evident everywhere—from the products we buy and use to the attention paid to exchange rate movements in the morning newspaper. Globalization is not simply a matter of increased trade; we see it also in the worldwide markets for currencies and credit, in the pattern of production, and in the flow of information and technology. At the dawn of the industrial revolution, new ideas took decades to filter even across Europe; now they spread around the world at the speed of light.

[Economist] Joseph Schumpeter viewed economic growth as a process of "creative destruction," with new technologies and products constantly replacing the old and outmoded. Today, as such changes come more quickly than ever, we hear calls for protectionism and economic nationalism. But history shows that it would be wrong to heed those calls. Globalization and rapid

economic advance are linked. Global integration is the best way for all countries—rich and poor, large and small—to become wealthier together.

The distinguished men who shaped our international economic policy in the 1940s—people like Cordell Hull, Harry White, William Clayton, and George Marshall—were guided by a fine sense of history and, above all, by the bitter lessons of the interwar years. The international economy, which had flourished in the decades before 1914, was largely destroyed in subsequent war and revolution. Efforts to rebuild the system after 1918 were only partially successful, and the world economy almost disintegrated in the Great Depression.

As country after country resorted to "beggar-thy-neighbor" policies, trade shriveled, and employment and output plunged. The United States contributed to the sorry legacy of the 1930s through the Smoot-Hawley tariff and by scuttling the London economic conference.

The Postwar Record

Fortunately, after the Second World War, we rejected isolationism and economic nationalism. Instead, in the spirit of Bretton Woods and the Marshall Plan, we opened our markets and allowed others to follow at their own pace. In Europe, men of vision—Robert Schuman, Jean Monnet, and Ludwig Erhard—guided the reconstruction of a war-torn continent. Economic integration replaced ancient rivalries; prosperity became a joint pursuit.

Aided by timely Marshall Plan aid, the countries of Western Europe achieved remarkable economic growth during the 1950s and 1960s. Japan did even better. In less spectacular fashion, Canada and the United States also prospered.

These were years of rapid decolonization as many former colonies became new countries. Whereas the IMF [International Monetary Fund] and World Bank had 31 members initially, they have 151 members today.

In the postwar period, growing output and living standards were promoted by a progressive freeing-up of trade and investment flows. Widespread exchange controls were phased out; tariffs were cut; capital controls were eased; and a variety of regional free trade arrangements—most notably

the EEC [European Economic Community]—were introduced, encouraging further flows of goods, services, investment, and manpower among member countries.

While enlightened government policies established a more open, market-oriented framework for postwar recovery and growth, the real heroes of the story were the unsung millions of individuals on every continent whose creativity and hard work made possible an unprecedented era of prosperity.

Transcending National Borders

Increasingly, the world economy has become a single stage with leading roles played by multinational companies. Citicorp raises capital, obtains deposits, extends loans, and trades currencies all around the world. General Motors buys and produces components in scores of countries, assembles them in strategic locations, and markets finished vehicles on every continent. And, of course, not all multinationals are headquartered in America—consider such names as Siemens, Philips, Thomsen, Mitsubishi, Honda, Hyundai, and Daewoo.

Global economic integration is driven by continuing advances in science and technology. Columbus took months to cross the Atlantic. By 1850 a clipper ship could make the trip in 100 days. Some 70 years later, Lindbergh's daring flight took 33 hours. Today, Concorde gets us there in 3 hours and 20 minutes. For much of today's commerce, physical distance is irrelevant; modern telecommunications links us by voice, visual image, and document in less than a second.

Nation States and the Gains From Trade

National governments can impede or promote global economic integration. Trade is, of course, the standard example. Import-competing producers seek protection from competitors abroad. Such protection widens the profit margins, but it limits choice and raises prices to domestic consumers. And it harms domestic exporters as those domestic firms which receive protection against imports.

Governments also often choose to limit incoming foreign direct investments. Such constraints benefit domestic firms that would face additional competition. But they hurt domestic consumers and those domestic residents who might supply goods and

services to the incoming foreign-
ed concerns.

Although a free trade policy bene-
some domestic residents and hurts
ers, the gainers generally gain more
the losers lose. Conversely, pro-
ion usually hurts domestic residents
balance. These conclusions hold even
out taking account of the dynamic
s from free trade, stemming from
htened competition and the intro-
ion of new products and services.
Aside from their diverse impacts
omestic residents, trade restric-
s, of course, usually hurt foreign
ducers. Japanese quotas hurt U.S.
growers; U.S. quotas hurt New
and lamb producers. In light of
e considerations, this Administra-
—albeit with some important slip-
es—has sought to encourage open
e policies both at home and abroad.

Reversing the Trend?

ing the past several years, however,
omic integration has come under
sure as the world economy has
buffeted by extreme inflation and
flation.

We have cut inflation, but the leg-
of the struggle remains: heavily
bted developing countries, low com-
ity prices, high unemployment in
ope, and large trade imbalances.
se dislocations have prompted a
of dire forecasts. But do they re-
reality?

Consider the record. Since 1982,
United States has enjoyed a robust
omic expansion and markedly lower
tion. Assisted by lower taxes and
ificant deregulation—and prodded
oreign competition—our output has
r during the past 6 years at an an-
rate of 3.8%; our manufacturing
luctivity has risen by almost 5% per
um; and our unemployment rate has
n from over 10% in early 1983 to
than 5.5% today.

For a considerable period, this ex-
sion was accompanied by a widening
budget deficit and a growing U.S.
rent account deficit. But a signifi-
shrinkage in both deficits is now in
gress. In 1985, the budget deficit
shed a peak of 5.2% of GNP [gross
onal product]; this year, it will
ably amount to about 3.2% of GNP.
at year, our current account deficit
ounted to 3.4% of GNP; this year, it
d well fall below 2.5%.

Recent strong U.S. economic
wth has been accompanied by even
nger growth in Japan, Britain, Can-
a, and Asia. And this past year, ac-
ty in Germany has also quickened.

The IMF now projects that industrial-
country output will grow at a healthy
3.8% in 1988.

Continuing Challenges

But, of course, problems remain—in
particular, an overhang of Third World
debt, creeping protectionism, and a big
U.S. trade deficit; a few words on each:

The Debt Problem. Since 1982, the
creditor banks in the industrial coun-
tries have bolstered their ability to ab-
sorb defaults by adding to capital and
reserves. Nonetheless, a serious con-
frontation between the debtor countries
and the banks would still threaten the
international financial system.

This Administration has sought to
avoid that confrontation—encouraging
the banks to lend new money and the
debtor countries to reform their pol-
icies with IMF assistance. The process
has proceeded case by case. To
strengthen their trade balances, the
debtor countries have had to endure se-
vere economic austerity. Is there a bet-
ter way?

Numerous “global solutions” have
been proposed. But these schemes all
fail to reflect important differences
among the debtor countries; they would
tend to reward poor policies; and they
would require backstop insurance by
creditor-country taxpayers. I believe
that the case-by-case approach will
work provided:

First, that we can lower barriers
to debtor-country exports; and

Second, that the debtor countries
revamp their economies.

These countries have spawned nu-
merous state-owned enterprises. (In
Mexico, for example, state-owned firms
rose from 86 in 1970 to 1,155 in 1982.)
Inefficient and overstaffed, these con-
cerns often require massive state sub-
sidies. They should be cut back, closed
down, or privatized.

Debtor countries have also tended
to fix exchange rates, interest rates,
and other key prices at levels that lead
either to shortages or to gluts. They
need less price fixing and more reliance
on market forces. For their part, cred-
itors must realize that a large external
debt imposes “a marginal tax on re-
form.” Unless both sides work together
to reduce this tax, reforms may never
occur.

To prevent LDC [less developed
country] debts from burdening the in-
ternational economy in the 1990s will

require cooperation and goodwill. This,
I believe, was a key message in your
group's recent thoughtful study of the
LDC debt problem.

Creeping Protectionism. Alas, the
free-trading ideal of this Administration
differs from the “warts-and-all” real
world. In country after country, narrow
domestic interests have persuaded all-
too-willing governments to impose re-
strictions on imports. True, tariffs have
been cut substantially. But all too of-
ten, they have been replaced with even
more damaging nontariff barriers de-
signed to evade GATT [General Agree-
ment on Tariffs and Trade] jurisdiction.

The GATT needs refurbishing. It
needs a quicker-acting, binding mecha-
nism for settling disputes and a routine
procedure for monitoring trade policies.
It needs to cover services as well as
goods and agricultural products as well
as manufactures. And it needs to cover
intellectual property rights. We hope to
persuade our trading partners to accept
these changes in the current Uruguay
Round.

The U.S. Trade Deficit. The U.S.
trade balance can strengthen only if
our domestic savings rise relative to
our domestic investment spending. As-
suming further growth in investment
spending, we need to achieve some
combination of smaller budget deficits
and greater personal and business sav-
ing. If Gramm-Rudman-Hollings sticks,
our budget deficits will fall; and if the
recent changes in consumer spending
and corporate profits persist, private
savings will also rise. As the latest fig-
ures show, our external accounts are
strengthening far more rapidly than
most people thought likely even 6
months ago.

Our Relative Economic Strength

Let me conclude with a few words
about the place of the United States in
the world economy.

At the end of World War II, the
United States dominated the world
economy. In 1950, we accounted for
two-thirds of the total output of the
G-7 countries [Canada, France, Italy,
Japan, the United Kingdom, the United
States, and West Germany] and over
one-third of total G-7 exports. Our real
wages and worker productivity were
well above levels in other countries.

Now, some four decades later, we
remain the world's leading industrial
power, but other free-world countries
have gained enormously in relative
wealth, output, and productivity. Some

say that this development represents a failure of our national will and leadership. Not at all; it was inevitable—and highly desirable—that the war-torn economies of Japan and Western Europe regain their prewar capabilities. Indeed, that was the explicit purpose of the Marshall Plan. It was also natural for their economies to benefit from a technological catchup. As these countries have prospered, they have become stronger markets for our exports and low-cost suppliers of many desirable goods and services.

French wines, Japanese automobiles, Italian suits, British woolens, and German machine tools—these foreign-made products, and many more, enhance our living standards and stimulate innovation by our own producers.

Despite the debt crisis, the developing countries, as a group, have achieved an even more impressive rate of growth than our OECD [Organization for Economic Cooperation and Development] trading partners since the end of World War II. This, too, was natural. Starting from a much lower economic base, they had even greater scope for borrowing (and adapting) advanced technology than did Japan or Western Europe.

Nowhere have these gains been more impressive than in the newly industrializing economies of the Pacific rim. South Korea, Taiwan, Singapore, and Hong Kong—and, to a lesser extent, Malaysia, Thailand, Indonesia, and the Philippines—have become important producers and exporters of manufactures. Indeed, their successes are forcing painful adjustments in competing sectors in all of the older industrial countries.

Since 1983, trade across the Pacific has exceeded trade across the Atlantic. Nonetheless, the Pacific rim countries can benefit materially from greater cooperation. As George Shultz recently pointed out in a speech in Jakarta, we need to undertake joint discussions and cooperative actions in the areas of transportation, telecommunications, education, and natural resources.

More interesting than a comparison of the United States against its major trading partners is a comparison of the free-market NATO countries against the countries of the Warsaw Pact. In 1960, the combined gross national products of the NATO countries exceeded those of the Warsaw Pact by some \$2.5 trillion (in 1986 dollars). By 1986, the gap had more than doubled to \$5.5 trillion.

Far from burying the Western economies, the communist command economies have fallen increasingly behind. Recognizing that central planning just doesn't deliver the goods, the leaders of the two largest communist countries—China and the Soviet Union—have recently sought to inject large elements of capitalism into their systems.

These evolving actions—together with *glasnost* and *perestroika*—have momentous implications for the people of the free world as well as for the peoples of China, the Soviet Union, and the Soviet satellites. Is it possible that the Russian bear will become the Russian lamb—and a neocapitalist free-trading lamb, at that? Time will tell.

U.S. Stance Toward the Soviet Union on Trade and Technology

by E. Allan Wendt

Address before The Houston Club in Houston on October 27, 1988. Ambassador Wendt is Senior Representative for Strategic Technology Policy.

I am delighted to be with you today to discuss U.S. policy on trade and technology with the U.S.S.R. This is an issue of great importance for us as a nation. It has significant impact on our national security, and on our economic and political relationships with the Soviet Union and other countries of Eastern Europe. It affects our ties with China and with other friendly and allied countries. Our controls on such trade are applied for national security, foreign policy, and short supply reasons. It is on the first of these—national security—that I will primarily focus.

National Security Controls

These controls have a long history. While I have not done any research on the matter, I would not be surprised to find that there were, early on, prohibitions on sales of muskets and powder to the Indians. The present legal basis is the Arms Export Control Act of 1976 and the Export Administration Act of 1979, as amended, most recently by the Omnibus Trade Act a few months ago. The Export Administration Act is administered primarily by the Department of Commerce, but many other agencies, especially the Departments of State, Defense, and Energy also play a role in policymaking and execution.

National security controls are intended to prevent or delay our potential adversaries from obtaining goods

and technologies from the advanced industrial states and utilizing them for strategic or military purposes. Several friendly countries, the NATO allies (excluding Iceland) plus Japan, have worked together since 1949 in controlling such trade in an informal multilateral grouping known as the Coordinating Committee on Multilateral Strategic Export Controls, or COCOM which meets in Paris. That committee establishes the lists of goods and technologies subject to control: lists deal with specific weapons and implement of war, with nuclear materials and equipment, and with so-called dual-use or general industrial equipment and technologies that have military significance. The committee seeks to keep those lists up-to-date, works out procedures for compliance with the controls, and reviews requests from members for exceptions to the embargo. Each member country applies the controls through its own domestic legislation, regulations, or procedure.

Committee proceedings are confidential and decisions are by unanimous agreement. In addition, a number of neutral and nonaligned countries cooperate in varying degrees with the COCOM system, in their own political security, and commercial interests.

Contrary to the assertions of some, it is not our policy to wage economic warfare against the U.S.S.R. and its allies. There was a time, at the height of the cold war and during the Chinese intervention in the Korean conflict, when our export controls were quite extensive. These constituted a broad instrument that included financial and shipping limitations, and were intended to have a generalized adverse impact on the economies of the Soviet Union and

allies. The controls then sought to embargo a wide variety of basic industrial raw materials, machinery, fuels, lubricants, and the equipment to produce and process them, in addition to more understandable munitions and nuclear-related controls that were part of the package.

Changes in the Controls

Over the years, reflecting the ups and downs of East-West political relationships, there have been many changes in the types and levels of controls. Compared with the Korean war period, there has been a sharp reduction in the extent of coverage of the strategic controls. They now focus more specifically on the critical components and technologies of modern warfare, which we believe give us a qualitative edge over potential adversaries.

The change has been attributable:

- First, to a realization that the United States could not "go it alone," that such controls could not be effective without the cooperation of the major industrial nations of the West; and
- Second, to a recognition that with incremental improvements in the overall East-West relationship, the growth of West European economic influence and the desire of those countries to expand export markets, our policies in the COCOM multilateral control system were not prepared to cooperate in any but a strictly justified and narrowly defined embargo list.

Compared with the 1950s, and 1960s, the character of the embargo changed, as well. High-tech devices and technology are less and less the product of military-related research, or spin-offs of Defense Department laboratories or projects. The process has been reversed. Now, much of the new technology and materials on the control lists come from research and development funded by industry, in expectation of profitable sale and application in the commercial world. We sometimes find only later that this technology has weapons or other defense applications. These are the so-called dual-use items, which have major civil uses, but also important strategic applications that we would not want the Soviets to use against us.

I know there are those among you who are keenly interested in the prospects for relaxation in the controls on some of the equipment and technology utilized for seismic exploration for oil

and gas. I am sure many of you know that much of the sophisticated equipment used in seismic work has significant strategic applications in antisubmarine warfare, nuclear research, and weapons development and design. High-capacity, high-speed computers used in seismic work are subject to strict export controls to all destinations outside the United States.

Last week a member of my staff met with export control officials of the Commerce and Defense Departments and members of the International Association of Geophysical Equipment Manufacturers. The industry representatives gave a clear and convincing presentation of the problems these controls had for their business. They stressed their willingness to try to work out arrangements that might permit additional exports to the U.S.S.R., Hungary, and China but with safeguards against unfriendly use of the equipment. We may be successful in reaching some reasonable accommodation, or we may not, but I cite this case to underscore the high level of shared effort by industry and government in the export control area to mesh our national security and export promotion objectives wherever possible.

Foreign Policy Controls

In addition to the multilateral restraints exercised through COCOM, the United States maintains near total unilateral embargoes and import restrictions on trade and financial transactions with Cuba, Vietnam, North Korea, Nicaragua, Cambodia, and Libya. These controls have their origins in special circumstances arising from the expropriation of U.S. properties by the Castro regime, the absence of normalization agreements following the Korean and Vietnamese conflicts, and the state terrorism of the Qadhafi regime. In addition, we also exercise controls for other policy reasons, such as against South Africa because of its apartheid policies.

As many of you know, the United States has also applied similar foreign policy export controls against the U.S.S.R. as an expression of political condemnation of Soviet human rights violations or—as noted above—for strategic control purposes. One such instance was the effort to prevent the development of high-capacity gas pipelines from Soviet western Siberia to the border between the Warsaw Pact and NATO members. These controls met

fierce resistance from our NATO allies, who were adamantly opposed to what they saw as the extraterritorial application of U.S. controls on firms in those countries even though these firms were subsidiaries of American companies. Other limitations on oil and gas exploration equipment and technologies were applied in reaction to increased Soviet violations of human rights, to the imposition of martial law in Poland, and as a reaction to the Soviet invasion of Afghanistan.

Under the Export Administration Act, foreign policy export controls are subject to annual review and renewal in order to ensure that they remain necessary, effective, and in the national interest. The controls on oil and gas transmission equipment lapsed in 1983 because they no longer met these criteria, and the remaining controls on export of oil and gas exploration and production equipment (including equipment and technology to manufacture such equipment) lapsed on January 20, 1987. As I mentioned earlier, however, some equipment and technology are still controlled by national security regulations because of their potential for strategic applications.

Controls in a Global Context

Fundamental to understanding U.S. economic policy toward the Soviet Union is a recognition that it is but one component of our bilateral relationship and our global stance. That is the approach of the present Administration, and it is well founded in history. The promotion of U.S.-Soviet economic relations in the early 1970s outpaced other areas of the relationship. This resulted in feelings of frustration and failure. Both countries should seek to avoid repeating that experience.

Today, the relationship between the United States and the Soviet Union remains competitive and adversarial. So long as the adversarial dimension remains in Soviet relations with the United States, Western Europe, Japan, and much of the rest of the world, restrictions on strategic trade will remain in force.

Changed economic realities here in the United States, the massive adverse trade balance, unemployment and overcapacity in many domestic industries, and an awareness that the United States does not have the same relative size that it once had in the world economy, have made the American business community, the Congress, and the Administration much more sensitive to our

need to be competitive in world markets. We are all looking for ways to increase that competitiveness.

One area being addressed is the impact our security trade controls have on our trade with noncommunist customers, particularly the delays inherent in the need to ensure that exports of sensitive materials are not diverted or illegally reexported to proscribed destinations. The January 1987 report of the National Academy of Sciences, *Balancing the National Interest: U.S. National Security Export Controls and Global Economic Competition*, contends that U.S. components may be designed out of foreign high-tech products because of the difficulty of securing timely U.S. Government reexport approval. If this is a widely shared view, we hope to be able to deal with it constructively in the near future.

Many of the Export Administration Act amendments passed by the Congress in the trade act last summer address these issues. Staffing and procedural improvements in the Bureau of Export Administration at Commerce, and in the Office of Munitions Control at State, continue to cut down the processing time for license applications. In addition, for the first time in many years, there appears to be concerted interest in our industrial and commercial circles for reductions in the U.S. and COCOM control lists, particularly with regard to those few items where export restrictions on the commodity control list or the U.S. munitions list are broader or more severe than on the multilaterally agreed COCOM list.

Opinions sometimes differ among the various interested agencies of our government about the precise formulation of the control lists, and about particular control measures required. It is part of my job to promote a reasonable consensus among these agencies. Nevertheless, I believe there is no disagreement about the broad lines of our security export control policy. I feel confident, moreover, that the continuation of our program is not a partisan political issue and that future administrations will continue to give the program the priority it traditionally has carried.

Only fundamental and sustained changes in Soviet national security and foreign policies could lead to the basis of trust needed to diminish significantly these restrictions. We would welcome such changes, and we remain alert to identify them. What we face now, however, is a Soviet Union where the defense budget continues to increase and

formidable military deployments remain in an offensive posture. Illicit Soviet efforts to obtain foreign strategic technology are undiminished: The Toshiba/Kongsberg case, which has had its share of media coverage and congressional attention over the past year, is but one example.

The Soviet Union maintains a military-industrial complex far in excess of legitimate defense needs. They are the largest manufacturers of weapons in the world. They deploy enormous firepower throughout Asia and Europe.

How do we deal with this situation? Our own military deterrent and arms reduction agreements with Moscow are important components of our policy. But our superiority in technology is essential to our continuing success. To the extent that such things may be calculated, we may have a 10-year lead over the Soviets in technology. We may be even further ahead in computers, telecommunications, and command and control mechanisms.

If we ever lose that lead we would be in serious trouble. We must bear in mind that a publicly proclaimed goal of *perestroika* is to improve the Soviet Union's technological capabilities. Traditionally, the Soviet Union does not create significant new technology but rather imports it from the West—either by legitimate purchase or by stealing it.

In October 1988 we may judge that there has been substantial improvement in U.S.-Soviet relations over the last 3 years in the areas of human rights, regional issues, arms reduction, and bilateral matters. This improvement is understandably leading to renewed interest in a higher level of economic interchange.

At both the Washington and Moscow summits, President Reagan and General Secretary Gorbachev expressed their "strong support for the expansion of mutually beneficial trade and economic relations." This past April in Moscow the Joint U.S.-Soviet Commercial Commission (JCC) held its 10th meeting, with specific instructions from the Washington summit to develop concrete steps to facilitate such an expansion. These are significant expressions by the leadership of the two governments and are taken very seriously in the two countries. In April the Joint U.S.-Soviet Commercial Commission agreed on the following actions:

- To establish a joint legal seminar to examine the changes needed in commercial law to facilitate business;
- To set up working groups on five key economic sectors, where further co-

operation looks promising and strategic considerations are manageable (food processing, oil and gas equipment, housing, medical equipment, construction); and,

- To allow the U.S. Commercial Office in Moscow to publish a newsletter advertising American products for distribution to Soviet trade organization and enterprises.

No time has been wasted in building these agreements. The legal seminar including general counsels from *Fortune 500* firms and the relevant government agencies—took place in September 1988 in Moscow, as did the first of the working group meetings.

Future Expectations and Constraints

All of these steps have been taken in the current context of improved U.S. Soviet relations. They represent, on the American as on the Soviet side, the development of policies in response to new opportunities. But limits remain on the development of future economic cooperation. As we see it, these limits are found in three broad categories of constraints.

The first relates to strategic trade, with which I have already dealt in some detail. Needless to say, so long as the adversarial dimension remains in U.S. Soviet relations, restrictions on strategic trade necessarily will stay in place.

Despite these factors, there is, in principle, ample scope for more peaceful trade. If Mr. Gorbachev pursues support and joint venture opportunities designed to improve the standard of living and quality of life of the long suffering average Soviet citizen, there are many areas where we can cooperate with minimum strategic technology policy problems. Medical technology, consumer products, and the food sector are just a few examples that come to mind.

A second, systemic, constraint comes into play, however: There are obstacles, inherent in the Soviet system, to conducting profitable business in the Soviet Union. There is the relative paucity of economically attractive Soviet exports, the nonconvertibility of the ruble, and the apparent Soviet requirements that the Western joint venture partner be primarily responsible for generating enough convertible funding to carry the partnership. These and other aspects of the Soviet economy have an adverse impact on the attractiveness of such arrangements for interested American firms.

The third set of constraints concerns nonstrategic trade. In this area substantial trade gains could be possible if there are major and enduring improvements in Soviet practices in regard to human rights and emigration. We cannot overlook the Jackson-Vanik amendment, which stipulates that most-favored-nation (MFN) tariff treatment may not be granted to any country which restricts emigration.

Conclusion

I thought that I wish to leave with you is that the authority to bring about the required changes lies in Moscow, not in Washington, Tokyo, or in Western Europe at COCOM meetings.

Meaningful Soviet actions—not words—must address human rights concerns and lift the obstacles to emigration could produce the necessary consensus in the American public, the Congress, and the executive branch needed for granting MFN treatment in the context of Jackson-Vanik. Recent developments in Soviet emigration policies—the increase in those permitted to leave—have been encouraging. But far more remains to be done.

This link between the Soviet military posture, illicit technology acquisition, human rights, and trade is not the exclusive preoccupation of the executive branch or the object of only sporadic attention by the Congress. On the contrary, it is an enduring feature of U.S. cooperation with its allies when dealing with the Soviet Union because it reflects the longstanding attitudes of the American people. We await increased Soviet efforts to address these concerns. If such efforts bear fruit, I do not believe the American people and their elected representatives will be regarded in making the appropriate adjustments in our trade policies.

Perhaps it is a Russian proverb that says, "When your feet are cold, put on a hat." The way for Moscow to promote U.S.-Soviet economic relations is to accelerate progress on the other elements in our relationship that I have briefly touched on.

Secretary of Defense Carlucci recently wrote about "the realism that must accompany the hope that the future will see a less threatening Soviet Union." The Soviet Union is exploring many new positive ways of dealing with its internal problems. If Moscow should come equally creative in its dealings with the United States and the rest of the world, U.S.-Soviet trade is but one area that would prosper. ■

The European Community's Program for a Single Market in 1992



Since its origins in the 1950s, the European Community (EC) has moved continually toward greater economic integration. However, each EC state has maintained many of its own industrial standards, taxes, and other features of national economic sovereignty that have complicated the free movement of goods and services within the Community. Now, in an environment of increased economic interdependence, the 12 member countries [Federal Republic of Germany, France, Italy, Netherlands, Belgium, Luxembourg, United Kingdom, Ireland, Denmark, Greece, Spain, and Portugal] are working to remove barriers to the movement of goods, services, capital, and labor. If all goes as planned, the European Community essentially will become a single market of more than 320 million consumers by January 1, 1993.

The proposed EC single market would have many features in common with the 50 American States, which benefit from the efficiencies generated by the free flow of economic and human resources. Politically, greater economic

integration would bind Europe closer together, a primary goal of the Community's founders. A single market also would enhance the influence of the EC institutions in relation to individual European governments. Nonetheless, the EC's political power would continue to be substantially less than that of the U.S. Federal Government.

Studies indicate that full implementation of the program would bring wide-ranging, advantageous structural adjustment in Europe, as well as gains in gross domestic product. Specific benefits are expected from:

- Supply-side effects—the direct cost savings from the removal of border barriers;
- Economies of scale in production for a larger market;
- Increased competition;
- Greater expenditure on research and development; and
- Demand side effects—lower prices, greater variety of products to stimulate consumer demand, and lower budgetary expenditures on government regulations.

The EC's single market program significantly will affect U.S. business through new product standards, new laws and business regulations, stronger growth, and stiffer competition. Our mutual economic interests are huge: in 1987, U.S.-EC trade totaled \$145 billion. Direct investment in each other's markets is estimated at \$280 billion, and portfolio investment is even higher. American businesses should be preparing now to deal with a more integrated and stronger European Community.

U.S. support for European integration remains a cornerstone of our foreign policy. An open and vibrant Europe reinforces the common bond of democracy, strengthens the Atlantic alliance, and can be a powerful engine for economic growth. Some aspects of various proposals under discussion, however, have the potential to harm U.S. interests and move the world away from a multilateral trading system. Increased competition from within the EC could lead European businesses to seek more protection from outside. Senior EC officials have stated repeatedly that the program, as envisioned, will not result in an economic monolith but, rather, will generate dynamic competition. Nevertheless, as the single market evolves, the U.S. Government continues to consult with the EC and will take appropriate steps to prevent establishment of new barriers to foreign trade and investment. In addition, the U.S. Government is working with businesses and other interested groups to identify problems and opportunities that might arise in the new EC proposals and laws. Finally, we hope that the EC uses the program to promote increasingly open policies by eliminating remaining trade barriers such as quotas and restrictive standards. We believe the EC owes it to the world to be a champion of free trade.

The Single Market Program and Beyond

The basis for the single market program is contained in a 1985 White Paper by the European Commission which identified 300 directives (since reduced to 285) needed to remove physical, technical, and fiscal barriers among member states. The EC also has pledged to strengthen Community law to achieve and enforce an integrated market. The program received an important boost in 1987 with the entry

into force of the Single European Act, which provides for qualified majority,¹ rather than unanimous, voting in the Council to adopt most legislation. The act also set the 1992 deadline for the program and expanded the Parliament's legislative role.

While the bulk of the program focuses on eliminating border controls and harmonizing standards for goods, significant progress is being made in other areas, such as the removal of barriers to free capital flows and provision of financial services, promoting airline competition, and the mutual recognition of professional diplomas. European integration, exceeding the confines of the single market program, will take the EC increasingly into environmental protection, law enforcement, and economic policy coordination. It also will strengthen existing common energy and transport policies.

Creating a true common market will involve a shift in policy and a significant transfer of authority from member state governments to the EC. So far, members have agreed to most of the single market program, partly because the Commission has insisted on an "all or nothing" approach. However, as more difficult subjects come up (e.g., the harmonization of taxation, the creation of a European central bank, or proposals for worker participation in firms), the Commission may encounter more resistance from individual governments. Also, political leaders through-

out the Community have different ideas about the exact shape of a future integrated market and the accompanying political structures.

In some areas, such as tax harmonization, in which members are less willing to cede national sovereignty, the elements of the single market will not be completely in place by the end of 1992. But Europe seems likely to proceed significantly along its pragmatic approach to integration within the next 4 years, and the momentum should add impetus to the removal of difficult barriers. As of October 1988, the Commission has proposed 204 directives (law 81 remain to be formulated. The EC has adopted 91 directives, and they are in various stages of implementation in member states. Lord Cockfield, EC Vice President in charge of the single market effort, wants virtually all directives to be presented to the European Parliament and the Council of Ministers by December 1988.

The present push for integration driven by a series of forces that have not been present in earlier efforts to form a single market. European businesses have been strong supporters of the single market program since they realize that they cannot compete with companies from the United States, Japan, and elsewhere without a large home market. In anticipation, European business is reorganizing, as evidenced by a wave of mergers, takeovers, and modernizations. Citizens

EC Public Opinion

As the single market program gains momentum, more people in Europe have focused on the EC's decisionmaking process and have concluded that the mechanism is not sufficiently democratic. The EC Commission, a nonelected body, identifies areas that need work and drafts proposals for submission to the Council and to the Parliament, which is the only directly elected body in the EC. Despite majority support for the process of economic integration, polls indicate three out of four EC citizens favor a referendum in which the question of European union would be decided by the public. A majority favors giving the Parliament full legislative power. Proponents of more openness in the EC use these poll results to demonstrate a growing backlash against the "democratic deficit" of the present process.

According to an EC poll, interesting discrepancies appear. The British and

Danish peoples are the most reluctant to give the Parliament power to enact laws that would directly affect countries and about forming a European government that would answer to this Parliament. On the other hand, almost 70% of the Italian respondents would favor those steps. A majority of French, Belgians, and Spanish also are willing to see more authority shifted to a European government and the Parliament.

Each member state has commissioned polls to gauge the depth of national understanding of the single market program. The French get highest marks, showing almost universal awareness of the program and its aims. The German and British publics have about 50% awareness, while other countries tend to be somewhat lower. In response, many EC members have undertaken education campaigns, in part to position their businesses and publics for the more competitive environment after 1992.

each member state slowly are becoming imbued with a spirit of "Europeanism." European leaders are responding to the political appeal of a more united Europe. Most importantly, EC members will accept more readily the long-term benefits of allowing market forces to determine adjustments to change and recognize this is easier with a large, integrated market. As West Europeans agree to common rules for trade, investment, and travel, their monetary and fiscal policies also will tend to converge further.

The 1985 White Paper underscores the Commission's obligation to take whatever steps are necessary to ensure the free movement of goods within the Community. For instance, Article 90 of the 1957 Treaty of Rome establishing the European Economic Community gives the European Commission the authority to issue direct orders to member states (without EC Council or Parliament approval) to allow competition in areas of market monopoly. Recently, the Commission used this tool to open up the market for telecommunications terminal equipment.

Specific Sectors

Industrial Standards. Although each EC state has its own set of industrial standards, the list of product categories covered by harmonization and mutual recognition is growing. The EC's new approach will mandate minimum standards and then require member countries to recognize other EC countries' standards. As an example, France recently was forced to accept German plam cheese for sale, despite the fact that the cheese did not meet minimum ranch fat content. German beer purity laws also were found in violation of the "mutual recognition" concept.

Standards are a two-edged sword. On the one hand, the elimination of 12 separate standards and requirements allows Europe-wide marketing. On the other, new European standards could exclude foreign products from all EC countries. Clearly, standards can become barriers to trade.

The Commission has identified several high priority areas for harmonization of standards, including motor vehicles, tractors and agricultural machines, food industries, pharmaceuticals, chemicals, and construction. U.S. multinational companies established in Europe are better able to make their voices heard in the crucial

Common Agricultural Policy

Instituted in 1962, the common agricultural policy has allowed the EC to become more than self-sufficient in many agricultural commodities and has provided more stable incomes to the European farming population. The common agricultural policy today, however, consumes some 70% of the EC budget and—through its complicated network of protection, price supports, and subsidies—has created large surpluses of many agricultural products. EC export subsidies, used to dispose of some of these surpluses, have helped to create a distorted and unstable market in agricultural commodities. Over the years, EC products benefiting from the common agricultural policy have displaced some U.S. farm exports.

The single market program will have only a small direct effect on the common agricultural policy. The harmonization of agricultural health rules for animals and plants will reduce barriers that have kept the EC's agricultural markets somewhat segmented. As the Community eliminates border controls, it must act on the taxes or

subsidies levied at the frontier on agricultural trade. Further monetary harmonization is likely to result in the elimination of the special agricultural exchange rates which also have served to protect markets from intra-EC competition.

Another effect of the single market program on the common agricultural policy will come as other sectors seek funds to ease the adjustment brought about by the program. An EC budget package adopted last winter, aimed at balancing the budget and reducing growth in agricultural expenditures over the next 4 years, resolved short-term budgetary problems by basically resorting to supply management techniques. While the package may reduce agricultural oversupply within the EC and help limit new pressure on international agricultural markets, it does not contribute significantly to the fundamental reform needed to create a system where farmers produce in response to market signals. The global reform of agricultural policies remains a U.S. objective and a major task of the current round of multilateral trade negotiations.

area of standards setting than are U.S. exporters. The United States has been consulting with the EC Commission to achieve better access to the process for all our firms.

Government Contracts. The annual value of government procurement in the EC is estimated at about \$550 billion, of which roughly 20% is subject to open tendering and only 2% awarded to non-national firms. The Commission aims to substantially open EC procurement practices by the end of 1992 and to extend competition into the telecommunications, water, energy, and transport sectors. It also has proposed to improve the remedies open to suppliers who believe that the contracting authority has violated their Community right to bid. An EC content rule of origin will be the likely vehicle used for limiting third-country competition. The U.S. Government will continue to press the EC to open up procurement to U.S. companies, both in bilateral discussions and in the multilateral trade negotiations taking place under the General Agreement on Tariffs and Trade (GATT).

Financial Services. The major thrust in banking is to create a single EC banking license and to agree on equivalent banking supervision standards. This would give a bank incorporated in any member state the automatic right to set up branches and/or conduct cross-border transactions in any other member state, while remaining under "home country control" for legal and regulatory purposes. A Commission directive liberalizing non-life insurance transactions finally received Council approval in February 1988. Efforts to reduce restrictions in life insurance are scheduled to follow. The Commission also intends to facilitate Community-wide trading for stocks and bonds, including electronic linkages between West European stock markets.

In parallel with the liberalization of financial services is a separate effort to free the movement of capital within the Community. In November 1986, the Council liberalized long-term flows, such as loans and securities. In June 1988, EC Finance Ministers decided to remove all remaining barriers to short-term capital movements within the Community by 1990 (Spain, Portugal, Greece, and Ireland by 1992). EC mem-

bers also are discussing the possibility of a European Central Bank and a single currency. It is unlikely that any form of unified EC banking authority could be achieved without first extending the European monetary system to include all the EC currencies and strengthening the European currency unit.

Transportation. A series of EC domestic air transport liberalization measures took effect in January 1988. Designed to increase competition, the package contains three major elements: measures allowing airlines to reduce fares on intra-EC routes, increased access to certain routes through "multiple designation" measures, and greater flexibility in passenger-sharing arrangements. Block exemptions from these rules are allowed for certain kinds of agreements, such as those for computer reservation systems. This package is regarded as a first step and is valid for 30 months, with a commitment to revise the measures subsequently. Maritime transport legislation took effect in July 1987, with major changes to be phased in through the end of 1992. Key features are the reduction of cargo-sharing arrangements, measures to address unfair pricing by third-country carriers, and common action against third-country offenders. Road transport measures are farther advanced, with a single customs document for truckers and agreement on deregulated competition.

New Technologies and Services.

Four areas are covered: television broadcasting, information services, payment cards, and electronic payment. A "Television Without Frontiers" directive regarding TV broadcasting was proposed in 1986, significantly including a "European content" rule. The Commission also has proposed a decision to encourage the development of the information services market, such as better use of data bases.

Telecommunications. Although not covered expressly in the single market program, the EC is making slow but steady progress toward liberalization in this sector. Recently, the Commission ordered member states to open up competition in telephone and other user equipment. Further directives are promised on services, compatibility of standards, and government procurement of telecommunications equipment.

Social Programs. Significant by its absence from the EC's 1985 White Paper was any mention of social issues,

The European Community and the United States, 1987

	Population (million)	GNP (\$ billion)	Per Capita GNP (\$)	U.S. Exports to EC (f.a.s.) \$ billion)	U.S. Imports from EC (c.i.f.) \$ billion)
EC	323.62	4,120.2	12,732	60.6	84.9
Belgium-Luxembourg	10.27	144.7	14,090	6.2	4.4
Denmark	5.12	97.5	19,041	0.9	1.9
France	55.61	846.9	15,229	7.9	11.2
Germany	60.99	1,129.9	18,526	11.7	28.0
Greece	10.01	45.9	4,584	0.4	0.5
Ireland	3.56	25.6	7,180	1.8	1.2
Italy	57.36	632.1	11,021	5.5	11.7
Netherlands	14.64	213.5	14,581	8.2	4.2
Portugal	10.35	33.4	3,229	0.6	0.7
Spain	38.84	284.0	7,312	3.1	3.1
United Kingdom	56.87	666.7	11,723	14.1	18.0
United States	243.77	4,526.7	18,659		

Source: U.S. Department of Commerce

such as workers' rights, health and safety in the workplace, unemployment, and training. The Commission has remedied that by recently proposing 80 steps addressing social concerns. Chief among them are provisions to allow workers to participate in some corporate decisionmaking and a standard labor contract. The Commission has said that these proposals would not be applied to EC companies in non-EC countries (unlike a highly controversial earlier proposal). European trade unions have welcomed this package; previously they complained that the single market was a program designed only for business. Labor is an important sector for the EC to "win over." There does appear, however, to be substantial early opposition from some countries to the broad scope of some of these social proposals.

EC Business Law. Proposals in this area will primarily affect EC subsidiaries of U.S. firms located in the EC rather than U.S. exporters. The impact on these subsidiaries essentially will be the same as on EC firms. The Commission wants to create an environment that allows companies from different member states to be able to cooperate more effectively. In promoting this goal, the Commission intends to harmonize the rules that apply to how firms operate. On the important issue of intellectual property rights, trademark and copyright regulations eventually will be harmonized. The EC

will continue to examine and rule on mergers and acquisitions. In general hopes to use company law to promote economic and technical progress with the framework of a single market.

Health Standards in Agriculture. Shipments. Border authorities generally apply their own national laws in regulating shipments of plant and animal products. The single market would allow free circulation of agricultural goods. Health standards would be enforced in the originating country for shipments within the EC and the point of first entry into the Community for imports from non-EC countries. Progress has been slow, however, in adopting Commission initiatives to harmonize regulations.

This could spark a number of trade frictions with the United States because of the importance of the European market for U.S. farm exports. U.S. agricultural exporters are concerned that EC health directives and regulations could be used to protect European products. In particular, they are watching to see the directives on pesticides and allowable pesticide residues on products. Two measures in the animal health field (meat inspection requirements and a ban on certain hormones) already have created trade problems for U.S. exporters. While the first issue has been resolved, the latter will induce U.S. retaliation if it becomes fully effective in its current form on January 1, 1989. The United States

continue to monitor EC agricultural directives and take appropriate steps to ensure that U.S. farm exports do not become victims of discriminatory policies.

Taxes. The EC proposes reducing variations in indirect tax rates so that border controls no longer will be necessary to adjust indirect taxes as goods cross frontiers. It would establish a limited range for the value added tax in member states. The proposal faces significant resistance because of the wide variety of value added tax rates and differences in the products covered. Corporate taxation also is a controversial issue. Agreement on taxes requires a unanimous vote of the Council.

Energy. Creation of an internal energy market long has been a goal of the Community. Issues include the sale of electricity across borders and directly to companies, common carrier gas and oil pipelines, tax harmonization, environmental protection, and security of energy supplies. There has been little progress so far, although the European Atomic Energy Agency has responsibility in the nuclear energy field for safety and environmental standards and supplies.

Reciprocity

The EC Commission has proposed requiring "reciprocity" from third countries before granting new rights in the single market, especially in areas, such as services, not governed currently by international trading rules in the GATT. The Organization for Economic Cooperation and Development. The Commission—still in the process of formulating policy on the implications of a single market program for non-EC members—has yet to define reciprocity. Some in the Community want to use the benefits of the program as negotiating leverage to open up foreign markets and to reach multilateral agreements favorable to the EC in areas not covered by the GATT. Others want to use reciprocity to protect EC firms from foreign competition. EC officials have suggested a number of possible standards for judging reciprocity, including national treatment, identical regulations, or a cross-sectoral balance of concessions.

National Treatment. The United States accords national treatment in virtually every sector and believes that national treatment should be granted

unconditionally. However, the EC may make national treatment and the right to do business conditional on receiving the same treatment for EC firms in the foreign country.

Identical Treatment. Some in the EC want firms operating abroad to receive the identical treatment and rights that the EC would extend to foreign firms. For instance, in banking the EC might seek an exemption from our restrictions on bank activities. The United States would argue strongly that nations have differing regulatory views on how best to serve and protect the public, and U.S. firms should not be excluded from other markets because of such differences.

Overall Balance of Concessions. The EC could adopt some measure of "overall reciprocity" based on the degree of market access provided EC firms in specific foreign markets or the magnitude of the concessions offered by individual foreign countries in the current multilateral trade negotiations under the GATT.

APPENDICES

History of European Integration

The peaceful union of European states had been a dream for centuries, but not until the devastation of World War II was political cooperation perceived as necessary to ensure Europe's survival. National governments nevertheless remained reluctant to cede any substantial authority to a supranational body. In the political sphere, the Council of Europe was organized in 1949 by 10 European countries, but all decisions were made by unanimous agreement of the ministers of each member state, effectively weakening the Council. Militarily, the North Atlantic Treaty Organization, an alliance of most West European countries with the United States and Canada, was formed in 1949.

On the economic front, the European Coal and Steel Community, ratified by the Governments of France, the Federal Republic of Germany, Italy, Belgium, the Netherlands, and Luxembourg (the Six), began functioning in 1952. It was the first international organization with an integrated federal governing body. Attempts to create an overarching supranational authority to make political and economic decisions in the interest of the whole continent

were blocked, however, by the British and Scandinavians who preferred international cooperation rather than formal integration.

In 1957, the Six agreed to establish the European Economic Community (EEC) and the European Atomic Energy Community (EURATOM). The two new organizations started operating in January 1958. The EEC, also known as the Common Market, began the difficult process of eliminating all trade barriers among its members.

The three communities were united in the European Communities (also referred to as the European Community) in 1967. By that year all member-to-member tariff duties were completely abolished, and a customs union of the Six was established. The customs union has been extended as new members joined the Community.

The United Kingdom initially rejected EC membership because of its Commonwealth ties and its desires to create a larger free trade area. It and six other European countries consequently formed the European Free Trade Association, which was designed to boost nonagricultural trade among its members and to provide a united platform for relations with the EC.

By the late 1960s, the British decided to join the Community. Although a French veto temporarily blocked British membership, in 1973 the United Kingdom, along with Denmark and Ireland, was admitted into the Community, creating the EC Nine. Greece joined the Community in 1981. The most recent expansion occurred with the addition of Spain and Portugal in 1986, resulting in the current EC Twelve.

Institutions

The major EC institutions are the Commission, the Council of Ministers, the European Parliament, and the Court of Justice.

The Commission. The Commission, headquartered in Brussels, is comprised of 17 commissioners appointed by their national governments. (France, West Germany, the United Kingdom, Italy, and Spain each appoint two.) Members of the Commission act independently of their governments and represent the interests of the Community as a whole. The Commission's major responsibility is to oversee the implementation of the EC treaties. The Commission proposes EC policy to the

Council of Ministers and steers its proposals through the Council and the Parliament. The Commission also prepares the preliminary draft of each year's EC budget. The approved budget for 1987 was about \$45 billion. The budget is financed by a customs duty, a 1.4% value added tax collected on the goods and services consumed in member states, and a percentage donation based on member countries' gross national product.

The Council of Ministers. The Council, which has its secretariat in Brussels, is the body that approves all Community legislation. The Council does not initiate legislation; it can act only on proposals from the Commission. The Council issues the draft EC budget for approval by the European Parliament. Most voting by the Council is now by weighted majority, except in cases involving health, environmental, or taxation issues, when unanimity is required. Each country assumes the Council presidency for a 6-month term, rotating by alphabetical order of states.

The European Parliament. The Parliament is the only EC institution that directly represents the people of Europe. The Parliament has gained a greater role in EC decisionmaking in recent years. It has significant power over budgetary matters (except agricultural spending) because it can amend or reject the budget and approves its adoption. Since 1987, the Parliament has had the right to amend or reject

legislation approved by the Council, which can overrule the Parliament only by a unanimous vote. Direct elections to the Parliament have been held since 1979. Deputies are elected to 5-year terms. The 518 members sit in eight major transnational political groups ranging across the political spectrum.

The Court of Justice. The Court of Justice has a role similar to that of the U.S. Supreme Court. It enforces EC treaties, determines if Community legislation is interpreted and implemented correctly, and resolves conflicts between Community and national laws. The justices have played a major role in the process of removing barriers to the right of business establishment and to the movement of goods and people. Court decisions generally have extended rights embodied in the treaties to individuals, strengthened EC institutions, and promoted integrated EC policies. The Court's decisions, by simple majority, are binding on all parties and are not subject to appeal. The 13 justices sit in Luxembourg and serve renewable 6-year terms.

¹EC member states have a total of 76 votes in the EC Council: West Germany (10), France (10), Italy (10), U.K. (10), Spain (8), Belgium (5), Netherlands (5), Greece (5), Portugal (5), Denmark (3), Ireland (3), and Luxembourg (2); 54 votes are necessary for a qualified majority and 23 votes for a blocking minority. ■

NATO's security interests and to maintain the credibility of our deterrent forces, conventional and nuclear, which will be kept up-to-date where necessary. This remains an essential basis for our policy, as reaffirmed by NATO's Heads of State and Government in their declaration of 3rd March, 1988. This policy of which a control is an integral part seeks to achieve a peaceful and more stable environment, the lowest level of armament consistent with our security needs. We reaffirmed willingness to share fairly the risks, burdens and responsibilities as well as the benefits of our common efforts.

3. We noted with satisfaction that the INF Treaty has entered into force since last met and that to date its implementation is proceeding smoothly. In this regard we stressed the importance of the rigorous verification measures agreed by the United States and Soviet Union. We reaffirmed that progress in the achievement of NATO's arms control objectives has been made possible by the solidarity of the Alliance and its demonstrated willingness to take those steps necessary to ensure its security.

4. We received reports on the status of the United States Strategic Modernization Programme and the Strategic Defense Initiative. We expressed appreciation for efforts of the United States and the United Kingdom to maintain the effectiveness of their strategic deterrent capabilities. We noted that strategic nuclear systems continue to be an essential element of the Alliance's deterrent posture. We expressed our continuing full support for the United States position in the START [strategic arms reduction talks] negotiations aimed at a fifty percent reduction in the strategic nuclear forces of the United States and Soviet Union, welcomed the progress made and supported timely agreement in the negotiations. We also looked forward to a successful conclusion of the negotiations on the verification protocols to the Peaceful Nuclear Explosions Treaty and the Threshold Test Ban Treaty and to the ratification of these treaties.

5. Our step-by-step approach, under which decisions will be taken when necessary, will ensure that NATO's nuclear forces continue to provide a credible and effective contribution to the Alliance's strategy of deterrence. In this context we reviewed a number of nuclear related issues and agreed that for the foreseeable future NATO requires diversified, survivable and operationally flexible nuclear forces in Europe across the entire spectrum of ranges, which take account of the scale and quality of the threat. We also received reports on the progress towards making necessary adjustments in the Alliance nuclear force structure.

6. We noted with satisfaction the progress being made in our work, reaffirmed our objectives and provided instructions to appropriate NATO bodies for future work. We also expressed continued support for

NATO Nuclear Planning Group Meets in The Hague

The Nuclear Planning Group of the North Atlantic Treaty Organization (NATO) met in The Hague October 27-28, 1988. The United States was represented by Secretary of Defense Frank C. Carlucci III. Following is the final communique issued on October 28.

1. The NATO Nuclear Planning Group (NPG) met in Ministerial session in The Hague (Scheveningen), The Netherlands, on 27th and 28th October, 1988. Iceland attended as an observer. We reviewed our work underway to ensure that the Alliance continues to maintain a credible nuclear deterrent posture and discussed a variety of security and defense matters pertaining to NATO's nuclear forces, including the United States strategic modernization programme, current arms control negotiations and the implementation of the INF

[Intermediate-Range Nuclear Forces] Treaty. We also received a briefing on the Strategic Defense Initiative.

2. The Atlantic Alliance remains the basis for the collective security of all its members. NATO's security policy, supported by a credible mix of conventional and nuclear forces, has assured peace in Europe for almost forty years. Nuclear weapons will continue to make an essential contribution to NATO's strategy of deterrence for the foreseeable future. While we are encouraged by signs of change in the policies of the Soviet Union and some of its allies, we have as yet seen no relaxation in their military efforts. In particular, Warsaw Pact superiority in conventional forces, with the capability this provides for surprise attack and large-scale offensive action, constitutes a basic source of instability and tension between East and West. Thus, we are determined to continue to take those actions required to preserve

efforts of member countries to meet requirements stemming from Montebello to maintain a credible nuclear deterrent posture at the minimum necessary level of weapons. While no decisions are required on the implementation of specific measures, we will continue to review our security needs in the context of the Montebello framework and in accordance with

the continuing development of our comprehensive and integrated concept for security and arms control.

7. We agreed to hold our next meeting at NATO Headquarters in Brussels, Belgium in the spring of 1989.

8. Greece expressed its views in a statement included in the minutes. ■

Czechoslovak Police Detain Dissidents

DEPARTMENT STATEMENT,
OCT. 28, 1988¹

We were pleased to note that the anniversary of the establishment of the first Czechoslovak Republic was to be celebrated in Czechoslovakia this year for the first time since 1951. The United States played a role in the establishment of independent Czechoslovakia, and Americans are proud of that role. As Deputy Secretary Whitehead said in his press conference in Prague October 16, many people expressed to him their desire to commemorate the anniversary in a fitting and dignified fashion, and it seemed an opportunity for all Czechoslovaks to recommit themselves to building a more prosperous and freer nation. We expressed our hope that this opportunity would be taken.

Unfortunately, the Czechoslovak authorities have chosen not to seize the opportunity. Czechoslovak police yesterday detained more than 50 prominent dissidents on the eve of the 70th anniversary of the founding of the republic. The detentions were aimed at preventing an unofficial commemoration of the anniversary scheduled for today in Prague.

We regret these detentions and urge the immediate release of those taken into custody. The detentions show that Czechoslovakia has far to go to bridge the chasm between the current practices of the authorities and the democratic ideas upon which the country was founded. We will continue to support those in Czechoslovakia who work for the day when the gap will be closed.

¹Read to news correspondents by Department deputy spokesman Phyllis Oakley. ■

Embassy Reconstruction in Moscow Proposed

DEPARTMENT ANNOUNCEMENT,
OCT. 27, 1988¹

President has decided to propose to the Congress that the new U.S. Embassy office building in Moscow be torn down and rebuilt from the ground floor to provide secure facilities needed in Soviet capital.

Secretary Shultz recommended the dismantlement and rebuild approach, approved by President Reagan. Secretary's recommendation was based on a thorough review which considered studies done by specialists both within and outside the government. Among these studies was a recent consultant's report which recommended that the existing building be demolished and reconstructed from the ground floor up. Alternative means of dealing with the present insecure building and overall U.S. Government office space needs in Moscow were carefully considered. The rebuild option, how-

ever, offers the best overall solution to the problem.

Rebuilding will be expensive, but the new embassy facilities will have to serve us in Moscow for the next half-century or so. Reconstruction is the only option that will provide both the degree of security and the amount of space necessary for current and future embassy activities.

This decision affects only the new chancery, the building which will be used for embassy offices. The rest of the new embassy complex—housing units, Marine quarters, school, and support facilities—are and will remain in use.

We will continue our policy of not permitting the U.S.S.R. to use its new chancery in Washington until we move into our rebuilt chancery in Moscow.

¹Read to news correspondents by Department spokesman Charles Redman. ■

U.S. Foreign Policy in a Time of Transition

by Colin L. Powell

Address before the National Press Club on October 27, 1988. Lt. Gen. Powell is Assistant to the President for National Security Affairs.

In the closing days of the 100th Congress last week, one of the most important legislative struggles was perhaps one of the least appreciated. Among the priority efforts of this Administration was to secure passage of new fiscal transfer authority in order to shift funds out of the budgets of the Departments of Defense and State to support UN peacekeeping activities. That's right, UN peacekeeping, which was suddenly in desperate need of funding for a number of new missions. We needed to find the money to pay our share of the cost.

I regret that we didn't succeed in convincing the Congress of this need, even though we fought for it until 3:00 a.m. of the day they adjourned. It is an issue that will be high on the agenda of the 101st Congress when it convenes in January. The problem arose because we hadn't budgeted enough for peace, and peace is on the march around the world.

- The Iran-Iraq war, which went on 8 years, has resulted in a cease-fire, peace talks, and a UN military observer group.

- In Afghanistan, a Soviet invasion and war that have been going on for 9 years are heading toward a resolution; the Geneva accords last April set up a UN good offices mission to supervise implementation of those accords.

- In Angola, a Cuban intervention and civil war that have been going on for 13 years may finally be heading toward a diplomatic solution, along with independence for Namibia, once again under UN auspices.

- In Cambodia, the Indochina war, which in one form or another has gone on for 40 years, may be giving way to a diplomatic solution, perhaps also under some form of international auspices.

- Diplomacy also has made progress in the Western Sahara. And just last week, we saw South and North Korea both speak at the United Nations for the first time and begin haltingly to reach out to each other.

And something else is going on in the world—not only peace but a drive for freedom. In Burma, in Haiti, or in Chile, the people want real democracy. In the Republic of Korea, or the Philippines, "people power" has already won great victories. In South Africa, the struggle has reached a new stage. In Latin America 10 years ago, only about one-third of the population lived under democratic rule; today it's over 90%.

Interestingly, some of the most striking advances toward freedom and self-determination are taking place in the communist world. We see in the Baltic states a powerful quest for self-expression and democracy. In Poland, we see the resurgence of the free labor movement, Solidarity; the government, after years of trying to suppress it, is now forced to negotiate with it. As the Vice President said a few weeks ago, there's still an iron curtain, but it's a rusting curtain, and shafts of light are piercing through. Throughout the Soviet empire, the pressures for change are accelerating. Moscow seeks to manage these pressures and channel them, but it is a certainty that, given the opportunity, people will press to the limits—and perhaps even beyond.

It's extraordinary. The quest for freedom is turning out to be the most powerful political force in the world today.

As Americans, we should not be surprised; not if we believe in our own system. But why are all these good things happening now? Is it blind luck? The policies of the Reagan Administration? Gorbachev's "new thinking"? Brilliant efforts by the United Nations? Some basic trends in the world? Or, as I believe, some combination of these and other factors? All these factors I have mentioned deserve consideration.

The Lesson of Regional Conflicts

First, the lesson of regional conflicts: In some of the regional conflicts that have been going on so long—in Iran-Iraq, Afghanistan, Angola, and Cambodia—there has been diplomatic progress, as I said. To some extent, it is also simply the result of a kind of exhaustion that has set in after years of brutal conflict with no conclusive result. Statesmen have shown the wisdom

to draw appropriate conclusions, and the decisiveness to act on those conclusions.

- In the gulf, Iraq fought back for years, with determination, to regain the initiative, and Iran discovered the futility of its military offensives which year after year, made no headway and cost millions of lives. It was one of the bloodiest and costliest wars of this century and also posed dangers to the region as a whole and to the oil shipping lanes on which the free world depends.

- In Afghanistan, the Soviet Union discovered it could not suppress the fierce resistance of the Afghan *mujahidin*, who displayed extraordinary bravery and resourcefulness and also enjoyed the support of the rest of the world.

- In Angola, a true military stalemate had developed—years ago—as the Angolan regime's military offensives to suppress Jonas Savimbi and UNITA [National Union for the Total Independence of Angola] failed time after time. It was costing the regime's Soviet backers something like \$1 billion a year in weaponry with no productive results.

One lesson here is that sometimes leaders have the wit to see the futility of war and to seek diplomatic solutions. But the deeper lesson is that *effective resistance* to aggression is what demonstrates the futility of war. A side effect: what seems an easy victory will go after it. So-called peace purchased at the price of surrender is not real peace, or security.

Clausewitz said the conqueror always prefers peace, in that he much prefers to march into a city unopposed. But such conditions only tempt and invite aggression. In Nicaragua, for example, diplomacy is not going well because freedom is not winning, precisely because effective resistance has been undercut, and we face the grim prospect of further deterioration and continuing crisis in that country.

I believe this Administration understood this lesson and, therefore, deserves some of the credit for the winding down of those various conflicts on which there has been progress.

- In Afghanistan, we resolutely supported the *mujahidin*, Pakistan, and the diplomatic process, and we are a guarantor of the Geneva accords.

- In Angola and Namibia, it was only after the United States began military aid to the UNITA freedom fighters in 1986 that the Angolan regime

ted to take seriously the idea of a negotiated settlement. The United States, of course, has mediated the negotiation.

- In Cambodia, we have actively supported ASEAN's [Association of South East Asian Nations] efforts.

- In the case of Iran and Iraq, we are not central to the conflict, but I am convinced our firm defense of freedom of navigation in the gulf helped to encourage any who had designs on the war and contributed to the conviction the war had become a losing proposition.

In all these cases of success, we have benefited from solid bipartisan congressional support and the support of the American people.

Soviet Union Under Gorbachev

Another factor has to be the role played by the Soviet Union under now-President Gorbachev. The Soviet Union played a constructive role in helping end some of these conflicts, and this must be acknowledged. This has contributed to the overall improvement in U.S.-Soviet relations, which, in turn, is one of the most important positive elements of the present period. Major changes are taking place in the Soviet Union, and in Soviet foreign policy. And these are related. Soviet leaders are facing up to their internal challenges, and this adds to their incentive to seek a "breathing space" in the international environment. Whether this is a temporary phenomenon, or a lasting one, is too early to judge.

What is clear is that the Soviet leadership does want to concentrate its energies and resources on internal economic reform. It is also becoming clear that the restive nationalities in the Soviet Union and around the Soviet empire, taking advantage of the relative liberalization of the recent period, are beginning to preoccupy Moscow more than we anticipated.

The bold new leadership in the Soviet Union has candidly acknowledged the problems the Soviet system faces. But the problems are fundamental, even structural. Essentially, *perestroika* is an acknowledgment of the failure of the Soviet system to provide for its people. Whether it can be fixed, as long as it remains a communist one-party system, remains to be seen.

There is little we can do to affect the Soviet Union's internal evolution. We can continue to press for human rights, as we have. We can encourage steps that are clearly improvements in Soviet internal political practice, even if they do not correspond fully to what we know as democracy. We can lend our moral support to all those decent people in the Soviet Union who seek greater freedom and well-being and who feel an enormous stake in the survival and success of the present reform program.

We can have more effect, however, on Soviet foreign policy. While these domestic preoccupations give the Soviet Union an interest in a calmer international environment, simultaneously the Soviets are drawing appropriate lessons from their foreign policy failures. That has much to do with us.

The Soviets are correctly reassessing their past foreign policy—including their adventurism of the 1970s—as a series of mistakes, because they and their allies were unable to consolidate their gains because of resistance to their challenge. In Afghanistan, in Angola, in Cambodia, and for a time—and perhaps yet—in Nicaragua, indigenous resistance forces with timely outside support prevented a communist victory. The Soviets and their clients are in the process of reexamining their investment and dealing diplomatically to liquidate their costly misadventures.

Let me read you some excerpts from an article in the latest issue of the Soviet journal *International Affairs* by a senior foreign ministry official. Lamenting the aid resources poured into some Third World clients, he writes:

[T]he aid itself is only the tip of the iceberg. Our direct and indirect involvement in regional conflicts lead to colossal losses by increasing general international tension, justifying the arms race, and hindering the establishment of mutually advantageous ties with the West.

Elsewhere the writer calls for reexamination, on the basis of "profitability," of Soviet use of military instruments in support of "regimes which declare themselves to be progressive but which far from always possess an adequate democratic base in the country."

And so, we really do have a great opportunity now and in the future to engage the Soviet Union in some historic settlements of outstanding regional conflicts. We must be alert to that opportunity. But we must also draw the right lessons. We must re-

member that there is no historical precedent for the Soviet Union's forswearing a strategic advantage if it is handed to it on a silver platter. Nicaragua looks disturbingly like confirmation of that, just as Cuba was 30 years ago.

In other places, where the West has stood firm, the Soviets clearly are reassessing their foreign policy. If the West continues to make clear, across the board, that accommodations can only be made on the basis of compromise, then the decisions the Soviets are now making under tactical necessity may turn into a new pattern that amounts to a strategic change.

Maintaining Strong Defenses

It's worth repeating: the outcomes I've just described depend on our strength and our resolve. Future outcomes depend on continuing strength and continuing resolve. This is not the time to relax.

This requires not only an adequate budget for economic and security assistance so that allies and friends can be helped helping themselves. It also requires an adequate defense budget.

Even in these times of fiscal stringency, we must not forget the lesson we learned 8 years ago that there is no substitute for defensive strength. America's bipartisan effort to restore the military balance did wonders for our allies—and the world's—sense of security. When America is weak, the world is a more dangerous place. Our strength has contributed to world stability, and to the possibilities for constructive—and balanced—negotiations with our adversaries on arms control and arms reduction.

The United Nations

Earlier, I mentioned the United Nations and its rapidly expanding peacekeeping role. This is another factor in the present situation. The Nobel Peace Prize committee appropriately awarded the blue-helmeted UN soldiers this year's peace prize.

This is a tribute to the kind of heroic, unsung work that UN peacekeepers have been doing on many continents for decades. As the United Nations implements internal reforms of its budget and administration and continues to avoid some of the polarizing General Assembly excesses of the 1970s, there is a prospect of even

greater successes for the organization in the future, fulfilling the promise of its bold and noble charter.

It has always been recognized that the success or failure of the United Nations depended a lot on the relations between the superpowers. As we enter a period of growing cooperation between the superpowers, it is natural to hope to see this reflected in further achievements of the UN system.

The Vindication of Our Values

These various positive developments underlie the recent progress toward peace. But there is a deeper trend underlying these. First of all is the resurgence of the simple idea of freedom. A decade or so ago, some pessimists used to dismiss the philosophy of democracy as a culture-bound luxury of the industrialized nations; doomed forever to minority status in the world. Today it turns out to be a vibrant force—from El Salvador to the Philippines, from Botswana to the Republic of Korea. This is a vindication of the values that all of us hold so dear.

It's happening, secondly, in the economic sphere. Both developed and developing countries are relearning some ancient truths about economic growth—about the basic reality that innovation and progress spring from the creative energy of individuals, not government.

In 1985, the economic summit of the industrial democracies acknowledged unanimously that governmental rigidities were a key obstacle to growth. In 1986, a special session of the UN General Assembly dealing with Africa acknowledged, similarly, that structural reforms along the same lines were a precondition for development. Most amazingly we see these truths now taken as gospel even in the communist world—in China, in Eastern Europe, and, yes, in the Soviet Union. There's a new Soviet joke: "What's the definition of socialism? Answer: the slowest and most painful way to make the transition from capitalism to capitalism."

It is coming to be recognized—even in the communist world—that there is a connection between economic progress, economic freedom, and political freedom. Look at the success of the democratic world in the postwar period—a resurgent Europe and Japan. Look at the success of the East Asian "Tigers," the newly industrialized economies of the Republic of Korea, Singapore, Taiwan, Hong Kong, and others. Their per capita GNP [gross national product] now equals or exceeds that of some

members of the OECD [Organization for Economic Cooperation and Development], the traditional grouping of the industrialized nations. And then look at those who follow the old Soviet model: Cuba, Vietnam, Ethiopia, Nicaragua—basket cases, all of them. In Nicaragua, income per capita is half of what it was in 1977—yes, half. The Soviets subsidize Cuba to the tune of nearly \$7 billion a year. The communist world is, in the words of some of its own spokesmen, in a state of economic backwardness and crisis.

The West faces plenty of economic and social problems—budget deficits, trade problems, the need to lift up the disadvantaged. But these are challenges to policy, not challenges to the essence of the system or to the structure itself. On the contrary, our economies are strong, and it only takes some wisdom and discipline in our democratic policymaking to meet these challenges.

Our adversaries face a systemic crisis; they sense that their system is wrong but they are seeking to "fix" it without changing it wholesale. It is not yet clear whether they will succeed.

And they see a new phase of the industrial revolution—the information age of supercomputers and global telecommunications—passing them by, relegating them to minor-league status in the 1990s. Is it an accident that this new burst of creativity originated in the West, where ideas and information flow freely and entrepreneurship flourishes?

President Reagan spoke of these things in his address at Moscow State University in May. I was privileged to be there, and what a sight it was—an American president talking to Soviet students about his passionate belief in freedom. Perhaps these ideas will truly take hold there and transform our world.

Finally, there is the interconnection between freedom, progress, and peace itself. This is the point made eloquently by Andrei Sakharov, who next week, finally, will be allowed to leave the Soviet Union and visit the United States. He said, in his Nobel lecture:

I am convinced that international trust, mutual understanding, disarmament, and international security are inconceivable without an open society with freedom of information, freedom of conscience, the right to publish, and the right to travel and choose the country in which one wishes to live. I am also convinced that freedom of conscience, together with other civic rights, provides both the basis for scientific progress and a guarantee against its misuse to harm mankind.

As President Reagan likes to put it, people don't make wars; governments do. How governments behave toward their own people is a good indicator of how they are likely to behave toward other nations. The worldwide trend toward democracy thus offers profound hope.

The West can be proud of what has achieved and the promise that its future holds. We in America have recovered, in recent years, not only our military strength and economic vitality but also our pride and faith in ourselves. America has contributed to the resurgence of the West and, in turn, draws strength from it. Events remind us—constantly—of the eternal power of our values of freedom and democracy under law. This country, for all its unfinished business, remains the beacon of hope and inspiration for all those in the world who aspire to enjoy these blessings, and who struggle for the We must never let that beacon fail.

Building a Flexible Framework for New Information Services

Parker W. Borg

Address before the INTELEVENT Conference in Cannes, France, on October 19, 1988. Mr. Borg is acting Coordinator and Director of the Bureau of International Communications and Information Policy.

Marshall McLuhan, who gave us so many insights into the implications of the information revolution, observed in his book *Understanding Media* that we need to look at the future through a "viewing mirror." That, unfortunately, is the mirror in which we telecommunications policymakers constantly find ourselves when trying to keep up with the explosion of technology. Like Sisyphus of ancient Corinth, who could never quite get a rock to the top of a hill, we always seem to be just one step behind technology.

The challenge at WATTC [World Administrative Telegraph and Telephone Conference] will be to escape that cycle by forging a highly flexible framework for the new networked information services that will not lock us into today's technology or today's regulatory norms. To reach consensus on such a framework by the over 100 ITU [International Telecommunication Union] countries expected in Melbourne will require that we put away our rearview mirrors and find the forward-looking solutions that have so often eluded us. It is crucial that we get the rock to the top of the hill this time.

The Importance of WATTC

The framers of the 1973 regulations covering international telecommunications services did an adequate job of formulating guidelines for the technology of their day, but it was a simple day. By the late 1970s, some countries were already proposing revisions. By 1982, many countries believed that technology had advanced well beyond the scope of the 1973 regulations. They prepared at the 1982 Nairobi plenipotentiary, which called for the 1988 WATTC.

Since 1982, new applications of technology and new regulatory approaches have changed the world of

telecommunications in a way nobody could have predicted a decade ago. On the regulatory front, a host of countries has moved away from traditional telecommunications monopolies. In the United States we replaced the virtual monopoly of AT&T with a competitive long-distance market and a competitive terminal equipment market. Today, private networks exist side by side with public switched networks. Telecommunications users have benefited from this new competitive environment; they can do more at a lower cost than ever before. Consequently, we have been able to reduce regulatory constraints. This, in turn, has stimulated new services and additional user demand.

Similar results flowed from the 1981 British Telecommunications Act, the 1984 privatization of British Telecom, the 1985 privatization of Japan's Nippon Telephone and Telegraph, and the passage the same year of the Japanese Telecom Business Law. The recent European Community Green Paper has started a sea change of liberalization in Europe that will culminate in 1992. In the developing world, countries such as Malaysia, Sri Lanka, Jordan, Guatemala, Costa Rica, and Grenada have either privatized or are seriously studying privatization of their telecommunications facilities.

On the technological front, the spread of personal computers, automated teller machines, global financial markets, data bases, digital private networks, and computerized airline reservation systems have radically transformed the way we do business and interact with one another. Not only have network-based telecommunications services become multimillion dollar industries in the last decade, but they have vastly improved the lives of people around the globe.

Less industrialized countries have taken advantage of the new technology as it has become more affordable and accessible to individuals and small groups. Over 70 countries, for instance, use computer packet switching systems, which can cost as little as \$30,000, to better the lives of their citizens. At the Oswaldo Cruz Institute in

Rio de Janeiro, thanks to a grant from Apple Computer, researchers have started using microcomputers linked to laboratories in other countries to fight the deadly Chagas disease, which afflicts 8 million Latin Americans.

Dominican Republic farmers, who formerly relied on one crop—bananas—have been able to diversify their crops using CONCARID, a Caribbean cooperative computer network that helps members find successful development models. A sweater factory in Mauritius has gone from a modest business to a major employer and exporter because it is now linked to computer-aided design services in New York and can keep up with the world's latest fashions. The data entry industry is providing new jobs in the Caribbean. Over 2,000 people now work at it in the Jamaica Teleport, and the industry is growing in the Dominican Republic, Barbados, and elsewhere.

WATTC, therefore, is not an arcane debate among telecommunication nitpickers. A well-crafted, flexible international regulatory framework can serve to foster continued growth and innovation in global telecommunications. A rigid document, we believe, could have the opposite effect. Thus, the outcome of WATTC could have real world consequences for the way people have access to the latest information. This access is the key to national competitiveness in today's global economy. It often makes the difference between success and failure in business and, in cases such as the Oswaldo Cruz Institute, the difference between life and death.

WATTC is also important for the future of the ITU. We are meeting just a few miles from Nice, the site of next May's ITU plenipotentiary conference. At the plenipotentiary, the 165 ITU member countries will chart the future course for the "granddad" of UN organizations—one that has had remarkable success in its 123 years of existence.

The ITU cannot rest on its laurels as the telecommunication landscape changes. The world market for all telecommunication services is growing by 12% a year—5% for telephony and telex and 20% for new services, including value added services. If the ITU is to remain relevant, it will have to address effectively the fastest growing sector of new "enhanced" or "value added" telecommunications services. WATTC is a key challenge to the ITU's adaptability

to altered conditions. Reaching consensus at WATTC would provide an important stimulus to the plenipotentiary and give the ITU momentum to face other more serious challenges going into the 21st century.

The preparation for WATTC has been a useful educational process. It has helped focus attention on the growing needs of telecommunications users, thus contributing to the liberalizing trend so much in evidence. Unfortunately, the preparations for WATTC have also seen the development of a draft document that exhibits the rear-view mirror mentality which I mentioned earlier. This draft document to be considered in Melbourne was developed through a series of WATTC preparatory committee meetings (PC/WATTC) held during 1985-87. We have circulated the draft widely between the U.S. Government and the private sector, including carriers, noncarrier service providers, public and private users, and equipment manufacturers. The U.S. position at the WATTC consolidates the views of these groups and concludes that the draft proposal does not meet two basic tests: that of flexibility and that of neutrality.

U.S. Position on PC/WATTC Proposals

Our concern is that certain provisions of the PC/WATTC draft could be used to restrict national domestic regulatory choices. Similarly, the adoption of a rigid international regulatory framework at WATTC, along the lines of the PC/WATTC draft, could discourage future procompetitive liberalization policies and hinder the continued evolution of international telecommunications.

The United States is not alone in questioning provisions of the PC/WATTC draft. Last April, ITU Secretary General Butler suggested an alternative text. The United States and a significant number of others welcomed the Secretariat's informal comments and have developed submissions based heavily on Mr. Butler's suggestions. Let me examine those submissions at this time.

The United States has proposed a text which is both flexible and neutral. It is based on our conviction that each nation is unique and, as a sovereign state, must retain the right to regulate or not regulate telecommunications as best serves its interests. While we in

the United States believe that open entry, competition, and deregulation are extremely beneficial, we do not seek to impose our philosophy on any other nation. We recognize that other countries will pursue their own approaches to telecommunications facilities and services according to their particular needs.

Therefore, any set of international regulations must permit each nation to develop domestic regulations and regulatory processes best suited for its national circumstances. The regulations should not directly or indirectly suggest any particular form of domestic regulation and should not be seen as a model for domestic regulation. Thus, no country should view CCITT [Consultative Committee for International Telegraph and Telephone] recommendations as a requirement to apply to domestic telecommunications.

By the same token, any regulatory framework must be broad enough to accommodate the inevitable, rapid, and wide-ranging change which will occur in telecommunications technology, user demand, and economics in the years ahead. Such flexibility is especially important for developing countries which may want to change their regulatory priorities and practices as they move from one stage of development to another.

More specifically, the United States has sought to correct several points in the PC/WATTC draft that could impinge upon national regulatory choices.

First, the U.S. proposal attempts to delineate between services that administrations and recognized private operating agencies offer to the public and those services which other private companies use to satisfy their own internal telecommunications needs.

Second, these latter "special arrangements" should be protected from the inappropriate application of ITU regulations. I believe this element of the U.S. proposal is a reasonable compromise between the desire of some administrations to include all types of service under the ITU regulatory umbrella and the interest of other governments—such as the United States—to keep nonpublic services free from international regulatory control.

Third, the U.S. proposal would eliminate language in the draft that extends regulation to any entity using an international network. Without clarification, the phrase "any entity providing international telecommunications serv-

ices" in article 1.7 of the draft treaty would subject previously unregulated and new services to ITU regulation. Such regulation could lead to domestic regulation of providers of any international service. We believe international regulations should be limited to administrations or recognized private operating agencies providing transmission service to the public.

Fourth, the U.S. proposal would eliminate language scattered throughout the draft that might be used to support nonvoluntary applications of CCITT recommended standards. Today administrations are free to view CCITT technical recommendations as guidelines. Compliance is voluntary, allowing individual countries to apply the recommendations consistent with their particular circumstances. This flexibility is important to the ITU's continued viability as an effective forum for standards setting. The language in the current draft, if adopted, could cause some U.S. firms to refuse to participate in the CCITT standards process for fear that any recommendations might later become mandatory.

And fifth, the U.S. submission seeks to preclude references to a list of services, as has been proposed in the Secretary General's draft. We believe that a list of services would encourage the fencing-off of rapidly developing technologies. Practically speaking, keeping such a list up to date would be almost impossible, given the fast pace of technological progress. We are aware that some countries, especially in the developing world, see such a list as a way to ensure that traditional universal services like telex and telegraph do not disappear from the international scene. We think that these concerns can be met in a suitable fashion without an elaborate listing of services.

Our diplomatic effort for WATTC has been underway for many months. We have discussed our concerns on the proposed PC/WATTC draft with ministries of telecommunications, economic industry and trade, foreign affairs, and telecommunications providers and users in Europe, Africa, Asia, and the Americas. Arthur Latno, the head of our WATTC delegation, is currently on a trip to five countries in Europe and Asia to explain our proposals. We will continue in the remaining weeks before WATTC to try to build an international consensus on the twin pillars of flexibility and neutrality that can make WATTC an important milestone in ITU history.

We can draw on the example of the recently concluded Space WARC [World Administrative Radio Conference on Geostationary Satellite Orbit] conference for inspiration. Space WARC was conducted in an exemplary manner in which contentious issues resolved systematically over the 5-week conference period. In the end, the over 100 nations represented at the conference opted for viable approaches to allotment planning and to improved procedures that will allow technology to develop optimally.

I am confident, based on my consultations with other administrations, that good faith exists to reach a similar consensus at WATTC. If we do, the U.S. goal of efficiency, equity, and unity in international telecommunications will be enhanced, as will the organization's role as a leader in the information revolution. ■

Berne Convention Implementation Act of 1988

PRESIDENT'S STATEMENT, OCT. 31, 1988¹

Today we celebrate victory in the name of a right as old as the Union itself and as central to our Union as any: The right all Americans have to protect their property. We're here to sign into law the Berne Convention Implementation Act of 1988. It will enable the United States to adhere to the Berne convention for the protection of literary and artistic works. The Berne convention, which was originally concluded in 1886 and approved by our Senate earlier this month, provides for the protection of copyrighted works from international pirates who make their living by stealing and then selling the creative accomplishments of others.

With 77 countries as members, including most of our trading partners, the Berne convention features the highest internationally recognized standards for the protection of works of authorship. Our membership will automatically grant the United States copyright relations with 24 new countries and will secure the highest available level of international copyright protection for U.S. artists, authors, and copyright holders. This is especially significant because American works protected by copyright—books, recordings, movies, computer software prominent among them—have been at risk because of differences between U.S. law and the Berne convention.

The cost to Americans has been substantial not only in terms of the violation of the property rights of Americans but in terms of our trade balance as well. We've been running a trade surplus of over \$1 billion annually in

copyrighted goods, and it would have been much larger had it not been for the pirating of American copyright work. In 1986 alone, the entertainment industry may have lost more than \$2 billion in potential revenue, and our computer and software industries more than \$4 billion in potential revenue. That's why adherence to the Berne convention has been such an important goal of the Administration and why this occasion marks a watershed for us.

As [U.S. Trade Representative] Ambassador Clayton Yeutter has said, joining the Berne convention will also boost U.S. efforts to strengthen intellectual property protection in multilateral negotiations. In 1986 we succeeded in placing the issue on the agenda of the Uruguay Round of multilateral trade negotiations and committed the General Agreement on Tariffs and Trade to address the relationship between trade and intellectual property rights. When trade ministers meet in Montreal in December for the mid-term review of the Uruguay Round, they must direct negotiators to commence substantive negotiations.

Officials in our Administration worked closely with many key Members of Congress, such as Senator Pete Wilson and Congressman Carlos Moorhead, to get this bill passed in Congress. And we must also remember our good friend and former Secretary of Commerce, the late Malcolm Baldrige, who led the charge on this legislation.

And now, with great pleasure and great pride, I will sign the Berne Convention Implementation Act into law.

¹Text from Weekly Compilation of Presidential Documents of Nov. 7, 1988. ■

Good News: Our Human Rights Policy

by George Lister

Address at Florida International University in Miami on October 3, 1988. Mr. Lister is Senior Policy Adviser for the Bureau of Human Rights and Humanitarian Affairs.

The invitation to speak to you regarding our human rights policy was most welcome. The subject is one in which I have been involved for many years. Indeed, you might say that I was in at the creation, over a dozen years ago, when our current policy began to evolve. So I am very pleased to be with you here today.

First, I am going to review briefly the development of our policy and its specific human rights achievements thus far.

Second, I will discuss some other very important, though less recognized, benefits of that policy.

And finally, I will say a few words about the key roles played by Congress and the nongovernmental human rights organizations. Then I will be happy to try to respond to any questions, comments, and criticism.

Development of U.S. Human Rights Policy

First of all, a quick review of the development of our present policy and the results achieved: In the early 1970s, human rights advocates, both in and out of government, began urging that human rights considerations be assigned a higher priority in our overall foreign policy and that the United States do more to help to protect and strengthen human rights around the world. Over time, and after considerable discussion and controversy, those efforts proved generally successful. A separate Bureau of Human Rights and Humanitarian Affairs was established in the State Department in 1977, and the human rights factor began to be included routinely in the daily application of our foreign policy. Congress ruled that the State Department should prepare annual reports on human rights practices in all countries which are members of the United Nations. In brief, over time and despite numerous problems and difficulties, our current policy became institutionalized. By the way, the specific human rights we are discussing here

today are set forth in the Universal Declaration of Human Rights, adopted by the UN General Assembly on December 10, 1948. I have copies of the declaration here, if you wish to read it.

Our policy is supposed to be applied evenhandedly in all countries, regardless of their political and economic systems. One criticism often heard is that we only criticize leftwing regimes, never rightwing governments. That is nonsense. For example, if you read our annual human rights reports, I believe you will find that they are generally free of political bias and discuss a multitude of human rights violations by both the right and the left. At our annual December 10 Human Rights Day commemoration in the White House, both the President and Assistant Secretary Richard Schifter, the head of our Human Rights Bureau, have cited human rights violations in a wide variety of countries, including Iran, the U.S.S.R., Paraguay, South Africa, and Cuba. Victims of both leftwing and rightwing oppression have been included among the honored guests at these ceremonies.

As to specific human rights achievements over the past dozen years or so, it is easy to see encouraging evidence of the effectiveness of our policy. For example, our diplomatic efforts have contributed directly and/or indirectly to a reduction of torture in some countries, releases of political prisoners, the holding of honest elections, the lifting of states of siege, visits by human rights inspection teams, and the relaxation of censorship, to name just a few results. I am not suggesting that the U.S. Government deserves the sole credit for this progress. Obviously, human rights advocates around the world play leading roles. But we have made a major contribution, and we can be proud of that record.

Now, of course, I am greatly oversimplifying because of lack of time. None of this has been as easy or simple as I am making it sound. Foreign relations can become extremely complicated, and our primary goal must be the preservation of a democratic United States in a dangerous world. Clearly, our human rights policy, in itself, provides no guarantee against poor judgment and failures in our overall foreign policy. Moreover, there is no reliable prescription for helping human rights, and it is often unclear exactly which

tactics are most likely to advance the human rights cause at any given time and place. Our performance, especially in the early years, sometimes has been uneven and spotty. But I would say that, on balance, our record on behalf of individual human rights has been quite good.

Impact of Human Rights on U.S. Foreign Policy

I am sure there are many who would agree with what I have said thus far, although, certainly, there are also others who would disagree. But now I want to focus for a moment on one aspect of our human rights policy which has been almost totally ignored; that is, how our human rights policy has helped us to avoid some potential shortcomings in our daily overall foreign policy implementation. The following are just three examples.

One potential weakness in diplomacy is called "clientitis," or the tendency to identify with the foreign government with which we are dealing. Naturally, we would like to have good relations with most governments, and there is a very understandable tendency for, let us say, our ambassador to Country X to seek to remain on good terms with the local Foreign Office while the State Department endeavors to do the same with the Country X Embassy in Washington. That makes bureaucratic life much more pleasant. As a result, there can sometimes be a conscious and/or unconscious tendency to try to minimize "problems" which seem to threaten such good relations. Human rights violations are often one of those problems.

But with the higher priority now accorded human rights, I believe there is considerably less danger of clientitis. I think the present system has worked reasonably well, and our diplomats are aware of the importance of being attached to human rights considerations. And when there are differences of views which cannot be resolved at the bureau level, they can always be referred to the Deputy Secretary of State or the Secretary. Thus, the human rights factor often helps us to maintain a healthy distance from client governments.

Another potential weakness is the tendency to identify a country with a government, so that, for example, if we enjoy good relations with the Government of Country X it may sometimes be assumed that our relations with Country X are good. Of course, que

opposite may be true. A dictatorship can be in complete control of a country, but with a high percentage of the population strongly opposed to it. There may well be serious problems in our relations with a country's population which do not surface in our discussions with its government. Our human rights policy helps us to bring into proper focus our relations with the foreign country.

A third possible weakness to be added is a tendency to neglect contact with some democratic elements on the foreign side which are highly critical of the United States. Daily application of our human rights policy inevitably involves contact with many such elements, often including victims of human rights persecution. The value of such contact is greatly underestimated. My own experience in depth has been that there are many leftists, especially in the so-called Third World, who are strongly opposed to what they assume to be the policies of the United States but who have never been here and are incredibly uninformed and misinformed about our country and government. Dialogue with many such people—although, of course, not all of them—frequently proves mutually beneficial. Among other things, such dialogue can help us to make the distinction between the democratic—those who often seek profound political, economic, and social change, but support protection for human rights—and the antidemocratic left—those working for the establishment of a dictatorship.

These three examples illustrate, I believe, why our human rights policy has been helpful not only to individual human rights victims but also in the implementation of our foreign policy. However, there is another, even larger, area in which our human rights policy has achieved a noteworthy impact, and that is in our contribution to the cause of genuine democracy throughout the world, resulting in an improved role and image for the United States on the international political scene.

For one thing, in the past dozen years or so, the United States has come to be identified with the cause of human rights. Our views, advice, and support are constantly sought on behalf of that cause. Many human rights victims across the political spectrum now appeal to our embassies for assistance. Even those who are critical of our performance identify us with the cause, accusing us of not living up to our proclaimed standards. That would have

been unusual 20 years ago and speaks well for our human rights policy.

In this connection, it is relevant to point out that communist propaganda has long portrayed the United States as supporting rightwing dictatorships—and, indeed, this is still an obvious objective of, for example, broadcasts from Moscow and Havana. The reasons for this are readily apparent. A favorite communist Third World scenario is one in which a country is ruled by an oppressive and unpopular rightwing dictatorship, employing both torture and death squads to stay in power, while the great mass of the population sees no opportunity to improve their lot peacefully. As Lenin said: "the worse, the better." Then a desperate people can be persuaded to support a revolutionary movement intent on establishing still another communist dictatorship, although, of course, the insurgents' proclaimed public program focuses almost entirely on the injustices prevailing, not on the solutions to follow. And if the United States can credibly be portrayed as supporting the rightwing dictator, that helps to feed resentment and to show us as on the side of the oppressors, while the Soviets appear to be on the side of the oppressed.

Our human rights policy has done much to counter such propaganda. I would venture to guess that, over the past dozen years, far more people have come to identify the Soviet Union with oppression, while many more now associate us with the cause of human rights—and rightly so.

Indeed, nowhere does our human rights policy seem to have produced a more dramatic impact than in our relations with the U.S.S.R. itself. Today, we frequently meet with Soviet representatives, both here and in Moscow, to discuss human rights issues. And, meanwhile, the human rights cause has achieved noteworthy progress in the Soviet Union and in parts of Eastern Europe, to an extent that would have been unbelievable just a few years ago.

Possibly the most remarkable recent success in the international field of human rights has been the UN Human Rights Commission's opportunity to visit Cuba this past September. For years, Castro has succeeded in avoiding the human rights spotlight. But, finally, he was forced by world opinion to accept a UN inspection team. Once that visit became inevitable, Havana tried to put it in the best possible light, portraying the visitors as responding to an invitation. But, of course, the visit represents a major victory for the Cuban people and the cause of human rights.

Once again, I am not claiming that all of these gains are due solely to our human rights policy. Foreign affairs are far more complicated than that. But our human rights efforts have been a major factor contributing to those changes, and that is no mean achievement.

The Role of Congress

Of course, no discussion of our human rights activity can be complete without reference to the important role of Congress, both as coformulator of our policy and as monitor of our implementation thereof. I have already mentioned the annual human rights reports mandated by Congress. Congressional legislation and resolutions often have a direct effect on human rights policy. In addition, many congressional offices are in frequent contact with our bureau with questions regarding individual human rights cases. Moreover, there are now frequent congressional hearings at which the Department is called upon to testify concerning specific issues and countries. Such congressional interest and activity reflect a marked change from some 15 or 20 years ago. For example, I recall, back in the early 1970s, how surprised some of us were at a congressional request for the Department to testify on the honesty of an election just held in a Latin American country. Now such invitations are almost routine.

I believe that, on balance, this congressional interest and activity exert a healthy influence on our policy. On the other hand, of course, sometimes human rights issues can be exploited for partisan political purposes. I recall a Latin American friend—a woman with an excellent human rights record—once remarking to me with some exasperation: "I'm not interested in your two political parties; I want democracy in my country."

The Role of Nongovernmental Organizations

Now, in conclusion, a few words on the very valuable work performed by private human rights groups and organizations—the nongovernmental organizations; the NGOs, as we call them—such as Amnesty International, Human Rights Watch, the International League for Human Rights, and many others. These organizations play a key role in gathering details on human rights violations around the world and in helping the victims of such violations. In so doing, the NGOs frequently obtain information and insights unavailable to our

government and, thus, provide assistance in the implementation of our human rights policy.

At the same time, many of these groups are frequent critics of the State Department's performance, criticizing our human rights reports, our public statements or absence thereof, and our policy implementation as they see it. And there is certainly nothing wrong with criticizing our government, especially if that criticism is reasonably accurate. Accurate, constructive criticism can be very helpful. I would go further and say it is indispensable.

Having said that, however, I want to discuss for a moment the overall performance of these private organizations. Just as there is nothing wrong with NGOs criticizing the State Department, so I see nothing wrong with our offering some constructive criticism as to their performance. And I speak as one who is a member of Amnesty International and has many friends in the human rights movement. Over the years, some of them have been more effective than they realize, and I salute them.

First of all, I am inclined to separate NGOs into two general groups:

- Those which are prepared to criticize human rights violations by leftwing as well as rightwing governments and organizations; and
- Then those which are eloquent in their criticism of rightwing dictatorships but either remain silent about the same crimes committed by leftwing dictatorships or at least seek to minimize them.

It is noteworthy that some in this latter group are the most vociferous in accusing the State Department of ideological hypocrisy and a double standard, of favoring rightwing dictatorships over leftist regimes.

How can this be explained? Well, a few NGOs apparently see human rights merely as a political issue to be exploited to advance their own political objectives. Fortunately, I would guess such organizations are a very small minority, and I do not wish to devote further time to them here today. However, the problem of the double standard is not that simple. Unfortunately, there are genuine human rights activists who tend to apply a double standard for a variety of reasons. For example, some seem to be influenced by domestic political considerations—Democrats v. Republicans, or conservatives v. liberals. Thus, there are those who tend to judge our human rights policy and

performance mainly on the basis of whether one prefers an incumbent administration or a previous administration of another party. The fact is that our human rights policy is bipartisan in origin and should remain so. The implementation of our human rights policy should be evaluated on its merits, not on the basis of domestic political considerations.

Another, perhaps more subtle, factor which tends to produce the double standard is the reluctance of some NGOs to criticize human rights violations by governments which are hostile to the United States, especially if one also dislikes our government or at least an incumbent administration. One striking example of this problem is provided in *Against All Hope*, the book in which human rights activist Armando Valladares describes his 22 years in Cuban jails. Valladares tells how his wife visited Europe, speaking to politicians, journalists, and intellectuals on his behalf. At one point, a well-known democratic leader urged Ms. Valladares to desist from her campaign. When she asked why he would not speak out on human rights violations in Cuba, he is quoted as replying: "Because that would be giving the Americans a publicity weapon." Should we refrain from criticizing human rights violations in, for example, South Africa or Chile on the grounds that such criticism would be useful to the communists?

It seems to me that if one is genuinely devoted to the human rights cause one should be opposed to human rights violations wherever they occur—including, of course, the United States. And in countries with free speech, it is well within the reach of everyone to criticize our government every day, if so desired, while also opposing violations in Cuba, the U.S.S.R., South Korea, or wherever. Indeed, NGOs should realize that their willingness to be objective and candid in their criticism of all violations will make their criticism of our government more effective.

Lastly, it seems obvious that, just as our foreign policy should make the important distinction between the democratic and antidemocratic left, so should genuine advocates of human rights among the NGOs. Yet it is disappointing to note how many of the latter fail to do so—for example, accepting as "democratic" some avowedly Leninist political parties which support communist regimes with appalling human rights records. And, incidentally, the failure of human rights advocates to make this distinction plays directly into the hands of apologists for rightwing

dictatorships, who welcome the opportunity to dismiss all human rights activity as "communist propaganda and agitation." I suggest that NGOs would do well to focus more on some of the striking similarities of the struggle human rights under rightwing and wing regimes, such as in Poland and Chile.

Conclusion

Well, to sum up, I submit that the institutionalizing of our human rights policy was one of the wisest and most significant decisions ever made by the State Department and one which has proved to be very much in our own interest. It certainly has not been easy, but we have come a long way in the last few years. We still have a long way to go. Inevitably, our performance is imperfect. Human rights advocates, both inside and out of government, can help each other. Let's work together.

Genocide Convention Implementation Act of 1987

President Reagan's remarks at a signing ceremony of the Genocide Convention Implementation Act of 1987, Chicago on November 4, 1988, and text of a White House fact sheet.

PRESIDENT'S REMARKS

We gather today to bear witness to the past and learn from its awful example to make sure we are not condemned to repeat its crimes. I am today signing the Genocide Convention Implementation Act of 1987, which will permit the United States to become party to the Convention and Punishment of the Crime of Genocide that was approved by the General Assembly in 1948.

During the Second World War mankind witnessed the most heinous crimes—the Holocaust. After the war the nations of the world came together and drafted the genocide convention as a howl of anguish and an effort to prevent and punish future acts of genocide. The United States signed the convention and in 1949, President Truman requested the Senate's advice and consent to ratification.

In 1986, the Senate gave its consent conditioned upon enactment of implementing legislation. We finally close the circle today by signing the implementing legislation that will permit the United States to ratify the convention and formally join 97 nations of the world in condemning genocide and treating it as a crime.

I am delighted to fulfill the promise made by Harry Truman to all the peoples of the world—and especially the Jewish people. I remember what the Holocaust meant to me as I watched the films of the death camps after the Nazi defeat in World War II. Slavs, Gypsies, and others died in fires as well. And we've seen other horrors this century—in the Ukraine, Cambodia, in Ethiopia. They only rekindle our rage and righteous fury and make this moment all the more significant for me and all Americans.

Under this legislation, any U.S. national or any person in the United States who kills members of a national, ethnic, racial, or religious group with specific intent of destroying that group in whole or in substantial part, or spends his or her life in prison, or if other acts of violence are punishable by as much as 20 years in prison and a fine of up to \$1 million. While I would have preferred that Congress had adopted the Administration's proposal to permit the death penalty for those convicted of committing genocidal murder, this legislation still represents a strong and clear statement by the United States that it will punish acts of genocide with the force of law and the righteousness of justice.

The timing of the enactment is particularly fitting, for we are commemorating the Week of Remembrance of the *Kristallnacht*, the infamous "night of broken glass," which occurred 50 years ago on November 9, 1938. That night, Nazis in Germany and Austria conducted a nationwide pogrom against the Jewish people. By the morning of November 10th, scores of Jews were dead, hundreds bleeding, shops and homes in ruins, and synagogues defiled and destroyed. That was the night that began the Holocaust, the night that should have alerted the world to the gruesome reign of the final solution.

This legislation resulted from the cooperation of our Administration and the House in Congress—such as Congressmen Henry Hyde, Jack Davis, and John Dingell, and Senator Bill Proxmire—to ensure that the United States redoubled its efforts to gain universal observance of human rights.

We pay tribute to those who suffered that night and all the nights that followed upon it with our action today.

WHITE HOUSE FACT SHEET²

President Reagan today signed legislation which amends the U.S. criminal code to allow the United States to ratify the International Convention on the Prevention and Punishment of the Crime of Genocide. The convention was adopted by the UN General Assembly and signed by the United States in 1948. The United States will join 97 other nations which have ratified the genocide treaty.

The President actively supported the genocide treaty and urged the U.S. Senate to give its long-overdue consent to this important international agreement. The Senate gave its consent to ratification on February 19, 1986, on the condition that implementing legislation be enacted. That legislation, passed by Congress overwhelmingly last month [October 19, 1988], was signed by the President today.

Treaty Background

The International Convention on Genocide, which declared genocide to be a crime under international law, was drafted in response to the Nazi Holocaust and was approved unanimously by the UN General Assembly on December 9, 1948. The United States was the first nation to sign the treaty.

On June 16, 1949, President Harry S Truman submitted the treaty to the Senate for its advice and consent. Every president from Truman to Reagan urged the Senate to act.

President Reagan's support, along with the efforts of numerous senators of both parties, moved the Senate to finally consent to the genocide treaty after nearly 37 years.

Terms of the Treaty

The act defines genocide as acting with a "specific intent to destroy, in whole or in substantial part, a national, ethnic, racial or religious group."

It will be a Federal crime of genocide to commit, or attempt to commit, specified acts on members of such groups. These acts are:

- Killing;
- Causing serious bodily injury;
- Causing permanent mental impairment through drugs, torture, or similar techniques;

- Subjecting to conditions of life intended to cause physical destruction;
- Imposing measures to prevent births; and

- Forcibly transferring children of the group to another group.

Genocide would also include trying to prevent births within such a group or using force to remove children from the group.

When death results from a crime of genocide, the penalty will be life imprisonment and a fine of up to \$1 million.

In other instances, the penalty will be a fine of up to \$1 million and 20 years in prison. Anyone who incited another to violate the law could be fined up to \$500,000 and imprisoned up to 5 years.

¹Text from Weekly Compilation of Presidential Documents of Nov. 6, 1988.

²Text from White House press release. ■

U.S.-Canadian No-Takeoff Declaration

DEPARTMENT STATEMENT, NOV. 2, 1988¹

The Governments of Canada and the United States today issued the following declaration.

The Governments of Canada and the United States agree that, except under extraordinary circumstances, they will not allow hijacked aircraft which have landed in their territory to take off again. They will also make every effort to consult with the state of the operator of the aircraft. The two governments, in accordance with international obligations, will take all appropriate measures to restore control of a hijacked aircraft to its lawful commander and to detain the hijackers for the purpose of prosecution or extradition.

This is another step in our common fight against terrorism. It will help to deter hijackings by not permitting terrorists to move an aircraft looking for a sympathetic government or shopping for concessions. We hope that this no-takeoff policy will receive the broadest possible application among the countries of the world.

¹Read to news correspondents by Department spokesman Charles Redman. ■

UN Calls for Full Implementation of Afghanistan Peace Accords

Following is a statement by Ambassador Vernon A. Walters, U.S. Permanent Representative to the United Nations, in the UN General Assembly on November 3, 1988, and text of the UN General Assembly resolution adopted that day.

AMBASSADOR WALTERS' STATEMENT¹

This resolution, adopted by consensus, is consistent with previous Afghanistan resolutions adopted annually in the General Assembly since 1979 by overwhelming votes which called for withdrawal of foreign troops and Afghan self-determination.

I consider this resolution one more indication of success of our policy in this area. It is also a tribute to the brave Afghan freedom fighters whose courage has helped create, once again, the hope of a free and independent Afghanistan.

The resolution adopted today has the following important, fundamental elements.

- First, it explicitly notes that Afghanistan's travail has resulted from "the violation of principles of the United Nations Charter and of the recognized norms of inter-state conduct."

- Second, it calls for completion of the withdrawal of foreign (i.e., Soviet) troops in accordance with the Geneva accords.

- Third, it reaffirms the Afghan people's right to self-determination.

- Fourth, it calls for the preservation of Afghanistan's territorial integrity and political independence.

The fact that the resolution was adopted by consensus means that the Soviets supported it. In taking this action today, the international community served notice that it expects the Soviet Union to abide by this resolution and to abide fully by its commitments under the Geneva accords, including total troop withdrawal no later than February 15, 1989.

Unfortunately, Soviet actions in Afghanistan in recent days—the introduction of high performance aircraft and their use in offensive operations against the *mujahidin* and the introduction of other advanced weaponry

into Afghanistan—are not consistent with the intent and words of the resolution adopted here.

These actions will increase the suffering of the Afghan people but will not alter the outcome. They are to be condemned. I consider them acts of desperation. The world expects the Soviets to conform their actions in Afghanistan to the resolution to which they and the entire international community have just adhered.

GENERAL ASSEMBLY RESOLUTION 43/20²

The General Assembly

Having considered the item entitled "The situation in Afghanistan and its implications for international peace and security,"

Reaffirming the purposes and principles of the Charter of the United Nations and the obligation of all States to refrain in their international relations from the threat or use of force against the sovereignty, territorial integrity and political independence of any State,

Reaffirming further the inalienable right of all peoples to determine their own form of government and to choose their own economic, political and social system free from outside intervention, subversion, coercion or constraint of any kind whatsoever,

Gravely concerned at the situation in Afghanistan, which results from the violation of principles of the Charter of the United Nations and of the recognized norms of inter-State conduct,

Noting the conclusion at Geneva, on 14 April 1988, of the Agreements on the Settlement of the Situation Relating to Afghanistan, and the partial withdrawal of foreign troops in accordance with the agreed time-frame,

Aware of the continuing concern of the international community at the sufferings of the Afghan people and the magnitude of the social and economic problems posed to Pakistan and Iran by the presence on their soil of millions of Afghan refugees,

Deeply conscious of the urgent need for a comprehensive political solution of the situation in respect of Afghanistan,

Conscious that a successful final political settlement of the Afghanistan problem would have a favourable impact on the international situation and provide an impetus for the resolution of other acute regional conflicts,

Expressing its appreciation to the Secretary-General and his Personal Representative for their efforts to bring about peace and security,

Taking note of the report of the Secretary-General, [A/43/720-S/20230] as to the status of the process of political settlement,

1. *Welcomes* the conclusion at Geneva on 14 April 1988, of the Agreements on Settlement of the Situation Relating to Afghanistan under United Nations auspices, which constitute an important step towards a comprehensive political solution of the Afghanistan problem;

2. *Expresses its deep appreciation* to the Secretary-General and his Personal Representative for their constant effort to achieve a political solution of the Afghanistan problem;

3. *Calls* for the scrupulous respect and faithful implementation of Geneva Agreements by all parties concerned who should fully abide by their letter and spirit;

4. *Notes* the continuing process of withdrawal of foreign troops from Afghanistan and expresses its expectation that the withdrawal will be completed in accordance with the relevant provisions of the Geneva Agreements;

5. *Reiterates* that the preservation of the sovereignty, territorial integrity, political independence and non-aligned character of Afghanistan is essential for a peaceful solution of the Afghanistan problem;

6. *Reaffirms* the right of the Afghan people to determine their own form of government and to choose their economic, political and social system free from outside intervention, subversion, coercion or constraint of any kind whatsoever;

7. *Calls upon* all parties concerned to work for the urgent achievement of a comprehensive political solution and the creation of the necessary conditions of peace and normalcy that would enable the Afghan refugees to return voluntarily to their homeland in safety and honour;

8. *Emphasizes* the need for an inter-Afghan dialogue for the establishment of a broad-based government to ensure the broadest support and immediate participation of all segments of the Afghan people;

9. *Requests* the Secretary-General and his Personal Representative to encourage and facilitate the early realization of a comprehensive political settlement in Afghanistan in accordance with the provisions of the Geneva Agreements and of the present resolution;

10. *Renew its appeal* to all States, national and international organizations to continue to extend humanitarian relief assistance with a view to alleviating the hardship of the refugees, in co-ordination with the United Nations High Commissioner for Refugees;

11. *Welcomes* the appointment of a special Co-ordinator for channelling economic and humanitarian assistance to the people of Afghanistan;

12. *Calls upon* all States to provide adequate financial and material resources to the Special Co-ordinator for the purpose

of achieving the speedy repatriation and rehabilitation of the Afghan refugees as well as for the economic and social reconstruction of the country;

13. Requests the Secretary-General to inform Member States and the Security Council of progress towards the implementation of the present resolution and to submit to the General Assembly at its forty-fourth session a report on the situation in Afghanistan, on progress

achieved in the implementation of the Geneva Agreements and the political settlement relating to Afghanistan;

14. Decides to include in the provisional agenda of its forty-fourth session the item entitled "The situation in Afghanistan and its implications for international peace and security."

¹USUN press release 122.

²Adopted by unanimous vote. ■

An Overview of U.S. Arms Control Objectives

William F. Burns

Statement before Committee I (Political and Security) of the UN General Assembly on October 18, 1988.

*Burns is Director of the Arms Control and Disarmament Agency (DACA).*¹

It is a special privilege for me to meet with you today and to participate in the work of this committee on important international security issues that are of concern to the community of nations. In the weeks ahead, this committee will be considering a full agenda of arms control and disarmament topics. Member states will have an opportunity to express their views and put forward their proposals on these issues. On its part, the U.S. delegation will participate constructively. In addition to stating U.S. positions as clearly as possible, we will listen carefully during the First Committee debate and will give due consideration to all views and proposals. We will support substantive proposals and resolutions that promote international security and stability, that are feasible, and that make sense. We will, however, oppose proposals and resolutions that do not meet these criteria and are counter to U.S. security policies, in particular any such initiative designed to disrupt defense relationships we have with our allies or to challenge the legitimacy of fundamental concepts on which our security is based, such as nuclear deterrence.

Arms control is not an end in itself; it is an integral part of the security

equation. Therefore, it is not surprising that serious participants approach disarmament negotiations with the same care that they give to other important security and defense decisions. While arms control is not devoid of its dramatic moments, progress normally is made one step at a time rather than in some quantum leap. To the extent that arms control and disarmament measures enhance security and stability, and can be verified to provide confidence that all parties are in compliance, they are worth pursuing. However, ill-conceived arms control proposals actually may be dangerous and, if implemented, destabilizing. In short, arms control is serious business and should be treated as such.

Is the world community better off today in terms of international security and stability than it was at the beginning of this decade? I believe that the answer is "yes," and I believe that arms control has made an important contribution in this regard.

Reducing and Eliminating Nuclear Armaments

In the area of reducing and eliminating nuclear armaments, on the 1st of June this year, the United States and the Soviet Union exchanged instruments of ratification bringing into force the

Intermediate-Range Nuclear Forces (INF) Treaty. This treaty, which is now being implemented, bans an entire class of nuclear arms and provides for the effective verification of their destruction. The INF Treaty is an important step in nuclear arms control. However, additional steps are required if the bilateral nuclear and space talks are to make the full contribution to international security and stability that we all desire.

The second, and more difficult, step will be the conclusion and implementation of the strategic arms reduction treaty (START). The United States and the Soviet Union have reached agreement on important elements of such a treaty that will provide for 50% reductions in the strategic offensive arms of the two sides. The result for each side will be a ceiling of 6,000 warheads on 1,600 strategic nuclear delivery vehicles and subceilings of 4,900 ballistic missile warheads and 1,540 warheads on 154 heavy ballistic missiles. Both sides have agreed that there will be a 50% reduction in throw-weight for Soviet missiles. There is also agreement on a counting rule for heavy bomber armaments and on elements of a verification regime that will include several types of onsite inspection and data exchange. Several difficult issues remain to be settled, including questions regarding air-launched cruise missiles, mobile intercontinental ballistic missiles (ICBMs) (if they are permitted), limits on ICBM warheads and heavy ICBMs, and some important verification details. For its part, the United States is willing to continue the hard bargaining necessary to bring this task to a successful conclusion.

These negotiations, like any other negotiations, have their own dynamic and imperative. It is neither realistic nor appropriate to attempt to force them to conform to artificial deadlines. What is important is that the end results produce greater strategic stability and a less provocative, and less dangerous, nuclear balance.

Defense and Space Talks

In the defense and space talks, the United States seeks agreement with the Soviet Union on how to manage jointly a stable transition to increasing reliance on effective defenses, should

they prove feasible, which will threaten no one. Greater emphasis on strategic defense is the only way which has been suggested in recent times that has a realistic possibility of reducing the dependence on nuclear deterrence. It is not yet clear whether or not the U.S. Strategic Defense Initiative (SDI), or longstanding efforts by the Soviet Union in this field, will fulfill their full potential. However, we already know from the U.S. perspective that there is considerable promise. Once again I would like to state that the United States will not bargain away its SDI program nor accept any provisions that would cripple its research, development, and testing program, which is in full compliance with the ABM [Anti-ballistic Missile] Treaty.

I would note, however, that the United States believes the existence of the large phased-array radar at Krasnoyarsk in the Soviet Union is a significant violation of a central element of the ABM Treaty and that measures must be taken to resolve this serious problem.

Nuclear Testing Limitations

In the area of nuclear testing limitations, the United States and the Soviet Union have agreed to deal with the issues involved through full-scale step-by-step negotiations. As the first step in these negotiations, the two sides are hard at work on new protocols that will provide for effective verification of the Threshold Test Ban Treaty and the Peaceful Nuclear Explosions Treaty, which will make it possible to ratify these two treaties. There has been considerable progress in these negotiations, as well as on the recent Joint Verification Experiment. At the Washington summit in December 1987, it was agreed that each side would conduct a nuclear test at its own test site, while the other side used its own instruments to measure directly the yield of the test. Those tests and measurements have now been carried out. If anyone had suggested 10 years ago that such an experiment could be carried out, he would have been considered out of touch with reality. Yet today, this important cooperative measure is likely to facilitate further negotiations on nuclear testing limitations.

Following ratification of the two existing treaties, the United States and

the Soviet Union have agreed to proceed to enter into negotiations on ways to implement a step-by-step parallel program—in association with a program to reduce and ultimately eliminate all nuclear weapons—of limiting and ultimately ending nuclear testing.

At the Conference on Disarmament, the United States continues to support the establishment of an ad hoc committee on a nuclear test ban on the basis of a non-negotiating mandate which would permit substantive examination of specific issues relating to a comprehensive nuclear test ban, including scope, verification, and compliance. However, the United States is not prepared to engage in negotiations on a comprehensive test ban treaty at this time and consequently would oppose any call to initiate such negotiations.

By the same token, the United States is opposed to the proposal that has been made to amend the Limited Test Ban Treaty (LTBT) of 1963 to make it a comprehensive test ban, covering all environments. We believe that it would be a waste of the parties' time and resources to convene an amendment conference. Under the provisions of the treaty, for any amendment to be accepted, it would be required, *inter alia*, that all depositaries approve it. The United States will not approve any amendment which would turn the Limited Test Ban Treaty into a comprehensive test ban. The LTBT, the first international arms control agreement in the nuclear era, was concluded a quarter of a century ago. It is a very important instrument which has served the interests of mankind all these years. It should not be used as a political football in international debates over the issue of a comprehensive test ban. Nonetheless, despite its opposition to this amendment, and to holding an amendment conference, the United States has met all of its obligations as a depositary and will continue to do so.

Chemical Weapons

My government considers one of the most urgent arms control challenges facing the community of nations today to be illegal chemical weapons use and the dangerous spread of chemical weapons capabilities. The best solution to this problem, in our view, would be a truly global, comprehensive, and effectively verifiable ban. In 1984, Vice President George Bush presented a U.S. draft text of a chemical weapons convention to the Conference on Disar-

mament. Based in large part on this initiative, and on the proposals of other participants, the Conference on Disarmament has made considerable progress in negotiations on a chemical weapons convention. But considerable work remains to be done.

In his address to the General Assembly on September 26th, President Reagan called on the parties to the Geneva protocol of 1925 and all other concerned states to convene a conference to take action to reverse the serious erosion of respect for international norms against the illegal use of chemical weapons in armed conflict. Such a conference is not intended to delay or substitute for the ongoing negotiations in Geneva on a comprehensive ban. In fact, it should give additional impetus to the negotiations. By focusing high level attention by the governments of the world on the questions of illegal and proliferation of chemical weapons, we will work toward broadly acceptable solutions which could be expressed collectively by the participants. A renewed international commitment against illegal use of chemical weapons is needed now to give a comprehensive ban a fighting chance.

The United States also supports the continuation of the work of the group of experts that are assisting the Secretary General to develop further technical guidelines and procedures for investigation of possible use of chemical and biological or toxin weapons. This work should be completed promptly in order that it might be available to the Secretary General for appropriate use.

Nuclear Nonproliferation Goals

There is broad international recognition that the spread of nuclear weapons would threaten regional and global stability. And there is wide support for international cooperative efforts to confront this threat. The Nuclear Nonproliferation Treaty (NPT), the treaty of Tlatelolco, and the International Atomic Energy Agency (IAEA) all contribute significantly to nonproliferation objectives and will continue to receive strong support from the United States.

This year, during the work of the First Committee, the states party to the Nuclear Nonproliferation Treaty will organize themselves to prepare for the review of the treaty in 1990. The NPT has made an important contribution to international security and to peaceful use of the atom. Today the world is a safer place, for both parti-

nonparties, because of the broad servance of the NPT's provisions. The fact that the NPT continues to attract important new adherents is testimony to its vitality. For its part, the United States will work together with other parties to ensure that the 1990 review conference will examine the treaty thoroughly in order to make sure it continues to function effectively.

The United States also remains committed to making the peaceful benefits of the atom available to those who have demonstrated a commitment to the principles of the NPT, or any comparable internationally binding commitment not to acquire nuclear explosive devices, and are responsible members of the world community. While the growth of nuclear energy has varied somewhat over the past decade, in large part to the changing economics of energy, many nations will become increasingly dependent upon nuclear power as a safe, reliable, and environmentally friendly source of energy in the years ahead. Also, the applications of nuclear isotopes in medicine and agriculture are growing and becoming more important.

It will be necessary to maintain strong support for the International Atomic Energy Agency, particularly its efforts to implement the best possible safeguards system on civil nuclear activities. This will require cooperation and contributions on the part of all states, especially those with substantial nuclear programs. It seems clear that the importance of the NPT and the TAVA will continue indefinitely into the future and that they should remain key elements of international security.

As the United States and Soviet Union continue to negotiate toward significant nuclear reductions, so must all states maintain their support for efforts to prevent the spread of nuclear weapons to additional countries. Nuclear threshold states that have rejected the NPT cannot escape their responsibility in this area. We urge them to consider unilateral initiatives, on a regional or international basis, to reduce the risks of nuclear weapons proliferation.

Outer Space Issues

The Conference on Disarmament, the United States has supported the work of the ad hoc committee responsible for consideration of outer space arms

control issues of global interest. This committee was established originally, and has continued to operate, on the basis of a non-negotiating mandate. The United States has made a serious attempt to identify measures that might be feasible and desirable as the basis for negotiating further multilateral arms control agreements that apply to outer space. We remain willing to listen to any proposals and to give them the consideration that they are due. However, we have identified no appropriate measures and have seen no proposals from others which we believe would enhance international security and are both feasible and verifiable. Frankly, at this point my government is skeptical that there are any new multilateral outer space arms control measures just waiting to be discovered that make sense.

Conventional Arms Reductions

Conventional arms control also deserves serious consideration, for it is these weapons that have caused millions of casualties since the founding of the United Nations. On the positive side, the implementation of the measures agreed to in Stockholm in 1986 has proceeded smoothly. Today, as a result, there may be less likelihood of war in Europe caused by miscalculation or misunderstanding.

However, Europe remains the most heavily armed region in the world, where major imbalances of forces exist. Therefore, the United States and its NATO allies have proposed two sets of negotiations to deal with conventional forces in Europe. In one set of negotiations between the 23 members of NATO and the Warsaw Pact, we seek to enhance stability at a lower level of conventional forces. The other negotiation among the 35 CSCE [Conference on Security and Cooperation in Europe] states will build upon and expand the measures agreed to in Stockholm.

While situations in other regions of the world are different, perhaps the European experience in developing confidence-building measures and considering limitations on forces and equipment might be adapted to fit in certain other cases. In particular where there are tensions among neighbors, or conflicts are coming to an end, the role of confidence-building measures tailored to the specific situations might contrib-

ute to greater regional stability and help to dispel longstanding suspicions. The United States would be prepared to share its experience in this regard with any country or group of countries that might have an interest.

The fact that the UN Disarmament Commission is now seized with the subject of conventional disarmament indicates a broad recognition of the global importance of this issue. The specific questions involved, including the causes of the accumulation of conventional arms, may differ from one region of the world to another. This makes the task of the UN Disarmament Commission extremely complex, but all the more important. We hope that all member states will make every effort to see that conventional disarmament issues receive the attention that they are due.

We understand that this committee may be presented with arms proposals for limits or constraints on naval activities. This makes it necessary to state the firm position of the United States regarding such proposals. Requirements for naval armaments and activities of various nations are inherently asymmetrical and are based on broader geographic, political, strategic, and other military factors. Located between and separated from allies by two oceans, the United States relies on maritime activities and freedom of navigation under international law to protect its security and trade interests. Therefore, the United States cannot agree to any arms limitations or additional constraints on its naval activities.

Compliance and Verification

If arms control measures are to be effective, the parties must comply with all of the provisions. It is not only important for each party to make sure that it is in compliance, it is just as important to remove any doubts that others may have regarding that party's compliance. Confidence in the effectiveness of existing agreements is an important part of the foundation of future agreements. Over the past several years, the First Committee has given recognition to the importance of compliance with arms control agreements if the benefits of such agreements are to be realized. Again this year the United States, together with a number of co-sponsors, intends to introduce a resolution that encourages faithful compliance with arms control obligations. We would welcome the continued support of all member states for this resolution.

Conclusion

The United States shares the disappointment that many others also have expressed that it was not possible to reach a consensus on a concluding document at the third special session of the United Nations devoted to disarmament. But we do not judge the session to have been a failure. The exchanges of views that took place, and the work carried out in attempting to achieve a consensus on a concluding document, point to a deepened understanding of the real issues involved in our search for a more peaceful and secure world. Realism in our work is always needed. As also noted by the Secretary General in his recent report on the work of the United Nations, the discussion during the special session demonstrated that arms control cannot be separated from the general state of relations in the world.

This committee will be considering many issues and many resolutions in the weeks ahead. There will be many opportunities to examine longstanding issues once again and to consider new issues. One of the most important contributions that this committee can make is to discover the common ground that can serve as the basis for progress in ongoing work or new actions. This search for common ground, for meaningful consensus, is not easy. Posturing and polemic should be set aside. Where serious security concerns have been expressed, they must be considered and taken into account. They cannot be swept aside for the sake of "good will."

The world remains a dangerous place. There is still aggression and suppression of freedom on a massive scale. The most effective way for most countries to protect themselves remains the deterrence of aggression and maintaining the ability to defeat aggression should it occur. The Charter of the United Nations recognizes the inherent right of individual or collective self-defense if an armed attack occurs against any member state.

Our goal, and a goal that most other countries share, is to make the world safer. To reduce the opportunity for aggression. But a safer world is not enough. We must seek a better world—a world where disputes are settled peacefully. A world where the rights of nations and the rights of individuals are respected and protected. A world

where there is justice and freedom. A world where all countries are at peace with one another and with themselves.

The United Nations is playing an important role in helping to restore the peace in many areas. We should all be grateful for the fact that this institution, which was founded on such lofty principles and with great expectations, is reinvigorating its utility and purpose in the area of peacekeeping.

As we undertake our work in this committee, let us move down the path toward a better world. We have made progress. Additional progress can be made. We should not despair that the end of the road is not in sight. Let us continue our journey, one step at a time.

¹USUN press release 96. ■

El Salvador: The Battle for Democracy

In the early 1980s, the United States made the historic decision to join in El Salvador's effort to transform itself from a closed oligarchy into a modern democracy. The immediate impetus was the emergence of a Marxist-Leninist insurgency. The key question then was—assuming that El Salvador could survive the insurgency—whether democracy was a realistic option.

Did El Salvador, in fact, possess a political center with enough leaders and followers to make a difference? Could these men and women coalesce sufficiently to lead a democratic transformation despite violent opposition from the extreme left and right?

The Salvadoran people have been answering this question affirmatively for almost a decade. They have made the difficult decision to defy the extremes which seek their allegiance through violence and terrorism and, instead, to rally to try to build a modern system of political debate, choices, and competition. Since then, in their overwhelming majority, they have continued to support the struggle for El Salvador's democratic transformation.

At the end of 1988, the question for El Salvador is how to continue this remarkable democratic experiment. Extremist forces are declining in numbers, but their behavior still reflects the politics and passions of a decade ago. The violent right remains isolated outside the system, as it has since the 1979 reformist coup; the armed left still attempts to advance its agenda by driving the Salvadoran people to revolutionary despair.

More clearly than ever, the political extremes are relevant only because they are violent. As viable options, they have been left behind by the public debate that now concentrates on issues of governance and national policies within a democratic consensus.

The center has held. Its members are developing self-confidence and trust in the maturing democratic framework. They are determined to overcome the political culture of the antidemocratic past. The center's challenging objective is to complete El Salvador's democratic transformation despite the resistance and provocation of the extremes.

The United States reengaged in El Salvador after prolonged noninvolvement during the decisive period of the late 1970s, when the outlines of the Salvadoran conflict developed and an irreconcilable center had begun to emerge. Reformist juntas groped for an optic between oligarchy and the slaughter (*matanza*) of civilians, as in 1932, at capitulation to Marxism-Leninism. Recognizing that emergence, and the fact that the leftist attacks against it were linked to Cuba, President Carter reversed U.S. policy—from detachment to near-total engagement. Four days before the end of his term, he authorized resumption of military assistance to El Salvador.

For more than 7 years, in partnership with El Salvador's legitimate political leadership, the United States has sought to help the center to consolidate its position. We have brought resources and influence to bear on the democratic transformation of Salvadoran institutions. One important objective has been to assist the development of a defense force that could hold its own in the field while also changing itself from a partner of the oligarchy into a professional military service for the defense of democracy.

The process of change in El Salvador remains incomplete, sometimes with tragic effects for its private citizens as well as for those who have courage for public service or political leadership. It will require economic

growth and political maturity. The pace change is a crucial issue. It depends on an issue even more fundamental: the nature of the partnership of the United States and El Salvador to keep the extremes at bay and to reduce the constraints extremist violence places on the dynamics of democratic development.

Centralization, Process, and Politics

In several years preceding U.S. reengagement in El Salvador provided abundant, if superficial, evidence that Salvadoran society and politics were deeply polarized around reactionary and revolutionary extremes. In 1979–81, the center seemed minuscule and powerless to endure, much less to reach and hold on to power. Its military, political, and political elements and moderate economic sectors seemed irrelevant. Organized absolutist factions of the left and right (which included huge paramilitary organization, the FDR and the DEN) were in open conflict that cost up thousands of citizens and produced thousands of deaths.

The desire for change, in fact, was widely shared. The fact that the majority of Salvadorans had no real voice, were not speaking through the absolutist groups, and were primarily concerned with shielding themselves from the consequences of the struggle was largely unnoticed. For most observers it was even less obvious that the seeds of real change already had been sown by the two transitional reactionary juntas led by Col. Adolfo Morales in 1979 and then by Jose Napoleon Duarte in 1980.

Although beset by their own political inexperience and disunity, by reactionary plotting, and by violent disorder, the Morales and Duarte juntas were able to proceed with fundamental agrarian and other economic reforms. On the military front, they prevented a takeover by the armed left; on the political, they prepared for a systematic transition to democratic constitutional government. The apparently imminent outbreak of full-scale civil war instead revealed itself to be a struggle of extremist minorities against each other in the center. The armed left retreated to the hills to wage guerrilla and rural terrorism or into clandestine cells for urban terrorism. The extreme right was obliged to go underground for a vigilantist war against the more violent reactionary subversion against the emerging democratic structure. Left to emerge as the extremes

retreated was the center—the great majority of Salvadoran people who began to look to the reform process to provide the change they sought and accommodate the spectrum of political views they held.

El Salvador elected a Constituent Assembly in 1982 which wrote the Constitution of 1983. A civilian independent, Alvaro Magana, became interim president and worked indefatigably to cement alliances among fractious politicians and retain military loyalties. Christian Democrat Jose Napoleon Duarte was elected to a 5-year term as president in 1984. Legislative and municipal elections were held in 1985 and 1988. In each case, international observers testified that the election had been conducted fairly, in an open and noncoercive environment.

The development of a radically new political culture has proceeded erratically but steadily, finding expression in a carefully tended electoral mechanism and especially in competitive party politics and their application in an open system of political rewards and punishment. For the March 1988 legislative and municipal elections, voter registration cards were issued to 1.65 million people, of whom 67% voted. When the votes were counted, the Christian Democrats (PDC) had lost control of the National Assembly to the opposition Nationalist Republican Alliance (ARENA) along with most of the nation's mayoralties.

This first peaceful transfer of power by an incumbent party in El Salvador's history thus was decided on issues of national policy and of performance in office. The elections proved correct the emerging sense that Salvadoran democracy is making decisions to punish and reward parties based on their record rather than on ideological matters. They reaffirmed yet again that the Salvadoran people have already made their ideological choice—for democracy. The internal debate continues—as it has for the past 5 years—to be about the array of concrete issues that democratic change has opened up for public decision.

El Salvador is preparing for the regular presidential election of March 1989 (with a possible runoff in June). It will apparently do so with the participation of the principal leaders of the Democratic Revolutionary Front (FDR), who have returned to El Salvador and to electoral competition. The FDR has been allied politically with the insurgents of the Farabundo Marti National Liberation Front (FMLN) since 1980. Guillermo Ungo, the Secretary General of the National Revolutionary Government, and Ruben Zamora, of the Popular Social Christian Movement, have joined with the Social Democratic Party to form the Democratic Convergence (CD), which has been registered as a legal political party and has begun to campaign.

Aid to Nicaraguan Democratic Resistance

WHITE HOUSE STATEMENT, OCT. 14, 1988¹

I recently signed into law the Department of Defense Appropriations Act for fiscal year 1989. That act provided \$27 million for limited humanitarian aid for the Nicaraguan democratic resistance through March 31, 1989.

Shortly, Congress will adjourn for the year, and its members will return to their States and districts. If, during adjournment, the Sandinista regime attacks the resistance, available resources may not be enough to protect and sustain the freedom fighters until the new Congress convenes. In the event the Sandinistas attempt to capitalize on this situation, they should know I would not

hesitate to call the 100th Congress back into session to consider emergency assistance to the freedom fighters.

Our policy in Nicaragua remains the same: freedom for the people of Nicaragua, restoration of democratic institutions, and peace and stability for all Central America. America must stand with those who fight for freedom in Nicaragua, as it has stood with the valiant freedom fighters in Afghanistan and Angola. We have an obligation to share the blessings of our liberty with those who yearn for freedom in Nicaragua. Their struggle is our struggle, and together we can achieve democracy in Nicaragua.

¹Text from Weekly Compilation of Presidential Documents of Oct. 17, 1988. ■

Against the background of the past 8 years of armed conflict, the return of these leftist leaders is a dramatic departure that potentially expands the constitutional political center and redefines the realm of the possible in Salvadoran political culture. The good faith of the CD remains to be tested: it has refused explicitly to sever ties with the FMLN and its strategy of violence, but it has been legally accepted and is free to organize its supporters and publicize its views. The FMLN itself has been ambiguous about the CD, and it is unclear whether the guerrillas will again target polling places, candidates, and voters for assassination, harassment, and intimidation.

Other leftist leaders also have returned to El Salvador from abroad. Mario Aguinada Carranza, Aronette Diaz de Zamora, and Tirso Canales of the Nationalist Democratic Union (UDN) reentered El Salvador without incident after self-imposed exile. (The UDN, the political arm of the Communist Party of El Salvador, always has been legally recognized as a political entity.)

In 1988, it is clear that the majority in El Salvador has found the political voice that it lacked in the violent uproar of 1977–81. It exercises that voice through political parties and electoral judgments on issues and performance. The consensus on democratic principles and procedures underscores the political irrelevance of the two extremes, which have only violence with which to resist the democratization of power. U.S. policy supports those struggling to empower the democratic center more fully against the extremes that still seek to destroy it.

The Armed Left

Spawned by the radical political blocs of the late 1970s, the armed left has remained outside the process of change in Salvadoran political and economic life. In battling the reformist politics that emerged from the 1979 coup, the insurgent Salvadoran leftist groups found unity in Havana through Fidel Castro. The military front they formed during 1979–80, the FMLN, since has been a formidable obstacle to orderly democratic development. The FMLN continues to follow a strategy of guerrilla war against national political, economic, and defense institutions with cycles of urban and village terrorism. Some FMLN component groups remain committed to prolonged military attrition of the democratic state; others to

classic schemes of provoking mass uprising. Overall, however, the FMLN tries to provoke governmental repression through terrorism and sabotage and openly hopes to see it develop should the conservative ARENA party win the presidential election in March.

In a profound sense, the leftist option collapsed politically with the FMLN's defeat in its badly miscalculated "final offensive" of January 1981. El Salvador was not Nicaragua: the FMLN demonstrated that it had little popular support, and it failed to provoke a general uprising against the beleaguered Duarte junta. The army remained loyal to the civil-military junta. It declined the opportunity for a counter coup or a new *matanza* of suspected FMLN supporters. The paramilitary right had to remain underground. The reforms continued. The democratic reform option had been severely tested under fire and had endured.

Guerrilla strength in 1988 is estimated at 6,000–7,000, down from a 1983 high of 12,000. The Salvadoran Government has met with the FMLN/FDR 17 times since 1983 in an effort to reach a negotiated solution, but the armed left still rejects the government's repeated offer of amnesty and challenge to test their popular support at the polls. The guerrillas walked out of the last meeting in October 1987. Their preconditions for renewed talks—including power-sharing before elections in a transitional government, a *de facto* demand that the political center dissolve its agonizingly developed consensus on democracy—are formally rejected by the Salvadoran Government as unconstitutional.

Doubts about the FMLN's sincerity regarding a negotiated democratic solution seem fully justified: the FMLN has changed nothing in its position since it presented a scenario of peace through government surrender during the first talks at La Palma and Ayagualo in 1984. Guerrilla documents captured by the Salvadoran Army in February 1988 included a communication between FMLN leaders on the peace talks. It reads in part:

The dialogue is not an end. It is a means. Whatever form a negotiated political solution takes does not mean that we cease the struggle. Even the best negotiated solution would mean that we would put more emphasis on the political, rather than the military struggle: in the most likely event, it would mean the continua-

tion of the struggle in all its forms—political and military—but now from a position of legitimate and recognized power at the national and, to a good extent, international level.

The Army

The Salvadoran Army has come far from the confused, poorly equipped force of about 10,000 that began the decade. While the FMLN has remained intellectually frozen in 1981 and decreased to half of its peak strength, Salvadoran Armed Forces have become a more professional and efficient force of more than 50,000 troops. The army increased effectiveness in direct combat has forced the guerrillas to operate chiefly at the small-unit level and against soft economic targets. The FMLN's frontal attack on the 4th brigade headquarters at El Paraiso on September 13, 1988, followed almost a year of relative inactivity in the field. The guerrillas were unable to penetrate the inner perimeter and took numerous casualties. It was a failed repetition of a similarly heavy attack in January 1987 which overran El Paraiso and routed defenders.

At the end of 1988, it is instructive to look back to the beginning of the decade. The democratic center in El Salvador did not then and still has not defined political success in military terms, e.g., totally exterminating the guerrillas. The basic issue from the military perspective in 1979–81 was whether the juntas could field an army able to protect the democratic option against the attacks of the armed left.

Ironically, before January 1981, U.S. weapons were available to the FMLN (provided clandestinely by Cuba, and Nicaragua, along with other materiel from the PLO, Ethiopia and Eastern Europe) but were denied by the United States to the Salvadoran Government forces that were trying to offer their nation the possibility of an alternative to monopoly of power by political extremes.

In fact, the democratic option was proven that it had the loyalty of the army in 1980 when Duarte took the courageous step of committing his party's life and credibility to a transitional partnership with the military democratic reform. As an institution the military had committed itself to quasirevolutionary reform decrees in 1979–80—physically implementing the land reform—but left their administration to the political leadership, and it has continued to

U.S. Restricts Entry of Nicaraguan Officials, Employees

PROCLAMATION 5887,
OCT. 22, 1988¹

In light of the current state of relations between the United States and Nicaragua, including the July 11, 1988, unjustified expulsion from Nicaragua of the United States Ambassador and seven other United States diplomats for pursuing legitimate diplomatic activities, the Nicaraguan government's refusal to allow the entry of United States diplomats to ensure the continued functioning of the U.S. embassy, and long-standing Nicaraguan government suppression of free expression and press and support of subversive activities throughout Central America, I have determined that it is in the interests of the United States to impose certain restrictions on entry into the United States of officers and employees of the Government of Nicaragua and the Sandinista National Liberation Front (hereinafter, the "FSLN").

NOW, THEREFORE, I, RONALD REAGAN, President of the United States of America, by the power vested in me by the Constitution and laws of the United States of America, including section 212(f) of the Immigration and Nationality Act of 1952, as amended (8 U.S.C. 1182(f)), having found the unrestricted nonimmigrant entry of officers and employees of the Nicaraguan government and the FSLN, except as provided for in Sec. 2 of this Proclamation, to be detrimental to the interests of the United States, do hereby proclaim that:

Section 1. Entry of the following classes of Nicaraguan nationals as nonimmigrants is hereby suspended: (a) officers and employees of the Government of Nicaragua or FSLN holding diplomatic or official passports; and (b) individuals who, notwithstanding the type of passport that they hold are considered by the Secretary of State or his designee to be officers or employees of the Government of Nicaragua or the FSLN.

Sec. 2 The suspension of entry as nonimmigrants set forth in Section 1 shall not apply to officers or employees of the Government of Nicaragua or the FSLN: (a) who are representatives to, or officers or employees of, organizations designated under the International Organizations Immunities Act (22 U.S.C. section 288) and members of their immediate families residing with them; or (b) in such other cases or categories of cases as may be designated from time to time by the Secretary of State or his designee.

Sec. 3. This Proclamation is effective immediately.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-second day of October, in the year of our Lord nineteen hundred and eighty-eight, and of the Independence of the United States of America the two hundred and thirteenth.

RONALD REAGAN

¹Text from Weekly Compilation of Presidential Documents of Oct. 31, 1988. ■

The army backed the transition from junta to Alvaro Magana's provisional presidency in 1982 and then the promulgation of a constitution in 1983 subjected the military to the authority of the president, as civilian commander in chief, for the first time. In June 1985, the conservative ENA tried to invalidate the legislative election won by the Christian Democrats. However, the army's commitment to the democratic process was affirmed by the united senior military leadership, which publicly underscored the outcome of free elections was final. Since then, the military institution has continued to bleed its blood on the line in the field in the city streets without seeking to assert control over political life or public policy. By accepting the results—which Ungo, as he rallied to the right left, claimed it never would—the army fundamentally has realigned economic power in El Salvador. Today, the core of the sociopolitical vision first articulated by the leaders of the 1979 military coup rests totally in the hands of civilian leaders appealing for a mandate to a civilian electorate.

Human Rights

In a horrifying level of political instability in the late 1970s, El Salvador has experienced a steady upward trend in respect for human rights to a present uneven plateau of performance. Progress has been insufficient, and the present situation remains too imperfect to qualify El Salvador as an institutionalized democracy capable of ensuring respect for the human and civil rights of all its citizens. But the political center has created sufficient confidence, despite the violent attempts, to encourage its natural majority to participate in the political process of choosing leaders and policies. President Duarte's personal commitment, governmental institutional efforts, and the provision of training in human rights instruction to the armed forces have brought unequivocal success. The governmental Human Rights Commission, with offices in San Salvador and other cities, documents allegations of abuses, conducts investigations, visits prisoners, and keeps statistical records. Another official body, the Commission on Investigations, has a Special Investigative Unit and a Forensic Unit to apply modern criminal techniques in investigating serious crimes, including those that are politically motivated.

El Salvador, nonetheless, remains a violent society. Disturbingly, the general level of violence has increased slightly over the past year. As always, it remains difficult to determine the motive in the majority of murders. However, U.S. Embassy statistical indicators, based on news accounts of violence and other public sources, confirm that murders of apparently political motivation have declined dramatically over the last 8 years, from a high of 750 deaths a month in 1980 to 23 a month in 1987. There is little reason to expect the basic improvement to be reversed.

While the Salvadoran Government has made concerted efforts to improve the military's observance of human rights, FMLN assassinations, kidnappings, use of pressure-detonated mines

that kill and maim indiscriminately, and other abuses continue to mount. The FMLN assassinated six mayors in Morazan and Usulután Departments this year; guerrilla mines have killed 39 people and injured more than 130 in the first 9 months of 1988.

The violence today, although deeply rooted in history, is deeply conditioned by the turmoil of the 1970s. At the beginning of the decade, the violent right found a natural recruitment base in the former members of the clandestine White Warriors Union and of ORDEN, the massive paramilitary organization linked to army elements which was dispersed by the army under junta orders in October 1979. Retired and active-duty police and military personnel linked to individual landowners

or personally opposed to the reform juntas were another source of support. At the same time, guerrilla terrorism—especially the assassinations of political figures and individual active-duty or retired uniformed personnel going about civilian pursuits (still a favorite tactic)—provoked passionate reactions.

The resulting dynamic led some security force personnel to adopt a pattern of abuse against policy and orders, which has not been extirpated and which plays into the hands of the enemies of the democratic center. In some cases, this has meant lack of action against abuses by members of state institutions or indifference to the activities of clandestine rightwing terrorism. In other cases it has meant shooting first and asking questions later or reprisals against noncombatants known or thought to be sympathetic to the guerrillas.

The fact that some elements of the army still chafe against the relatively new obligation to respect civilian welfare while it fights the war is clear. Its evolution is incomplete—notably its inability still to accept that fully subjecting the officer class to law and justice will strengthen, rather than weaken, the army's prestige, cohesiveness, professionalism, and institutional prospects. Yet, this is an army whose history encompasses the wholesale massacre of civilians in the *matanza* of 1932. The extent of change in military conduct and attitudes is as striking as the extent of socioeconomic and political change it has endorsed.

If change is an issue and a challenge for the military, it is neither for those at the political margins where nothing has changed. The extreme left and right still embrace the politics of systematic terror and induced despair—disappearances, murder, the calculated destruction of people's livelihoods through economic sabotage—in fanatic opposition to the accrual of power at the center.

Justice

A judicial system upon which all citizens can depend for reliable law enforcement and justice is an obvious requirement for systematic protection of human rights. The Salvadoran judicial system, by contrast, is characterized by poorly paid and trained court officers and judges subject to intimidation and bribery, as well as by inadequate material and personnel resources. The Salvadoran Government acknowl-

edges the challenge of judicial reform, which the United States supports with financial and training assistance. It has taken some positive steps forward, but much remains to be done.

El Salvador's democratic transition inherited a historic lack of reliable justice for any element of society. The poor have been abused, exploited, and murdered; the rich have been kidnaped, extorted, and murdered. El Salvador's democratic leaders inherited a culture of violence and vigilantism that long has been a substitute for dependable justice. The creation of a satisfactory system of justice will require time—to produce a sufficient pool of properly trained attorneys, magistrates, prosecutors, court officers, and enforcement officials. It will require time as well to overcome the instinctive distrust of state institutions bred by El Salvador's history of class division and to dissipate the passions of the past decade of violence.

Meanwhile, however, one crucial change in El Salvador's administration of justice has been largely unnoticed in the past 5 years: the judicial system is still unable to deliver justice evenly and adequately, but it is no longer a system of state repression. It now operates on a basis of openness and accountability. The use of secret prisons and places of confinement has been outlawed and abandoned; arrestees are no longer held incommunicado; the International Committee of the Red Cross is notified of arrests and has access to prisoners. Standards of proof and due process are applied in determining whether arrestees should stand trial (which few do, given the police's insufficient investigative training and resources); time spent in prejudicial confinement, which magistrates alone can impose, is deducted from sentences of those convicted; the death penalty has been constitutionally abolished.

This quiet transformation—a crucial foundation for progress—is unmatched by change at the political extremes, which remain explicitly committed to murder, abduction, and extortions, whether in the name of the traditions of the past or of revolutionary justice.

Economic Challenge

In 1986, gross domestic product (GDP) was \$4 billion; per capita GDP was \$780, and the rate of inflation was 32%. With coffee production accounting for 21% of GDP, agriculture remains the mainstay of the economy and of exports

(coffee, cotton, sugar, and shrimp). Light industry (food processing, textiles, clothing, petroleum products, cement) now accounts for 15% of GDP. International debt stood at \$1.7 billion in 1987, and debt service payments totaled 31.2% of 1987 export earnings.

El Salvador's once solid economic base—the most dynamic and promising in Central America in the 1970s—has deteriorated drastically under the psychological and physical blows of nearly a decade of insurgency and sabotage. Economic decline has made it extremely difficult for the government to achieve institutional effectiveness, eroded popular confidence in the future, magnified unemployment, and discouraged investment. It now rivals insurgency itself as a threat to El Salvador's democratic transition.

Nine years of guerrilla attacks on the economic infrastructure have caused billions of dollars of damage. The guerrillas repeatedly have targeted hydroelectric stations, transmission towers, water and sewer lines, telecommunications facilities and equipment, roads, railways, and public and private transportation networks. They have systematically forced the abandonment of farm operations, destroyed the coffee mills, burned crops, and attacked workers to prevent them from harvesting.

In addition, the economic situation has been damaged by the drought conditions of the last 3 years and the sharp drop in world commodity prices for coffee, sugar, and cotton. In October 1986, a major earthquake in San Salvador caused more than \$1 billion worth of damage.

The government launched an economic program in 1986–87 which has begun to produce results. Inflation dropped from 32% in 1986 to 25% in 1987, and projections for 1988 are still lower. The country also has registered consecutive years of modest growth in gross domestic product (2.6% in 1987).

U.S. Support for Democratic Transition

Cooperation between the United States and El Salvador has kept open and given shape to a democratic option that seemed unthinkable when the decade began. U.S. policy in El Salvador encompasses assistance for the consolidation of the democratic transition, the promotion of equitable economic growth, the reduction of human rights violations, the support of El Salvador's regional peace efforts, and the development of an adequate national security

city. Since 1980, U.S. economic assistance to support private sector initiatives, to assist the government to repair damage to the economic infrastructure from guerrilla sabotage, to fund programs in education, health, land reform, human rights, and social reform has totaled \$2.4 billion. After providing no military assistance between 1977 and 1981, the United States has provided more than \$800 million in military aid to help equip, train, and professionalize the Salvadoran Army.

Ironically, however, the decades with the communist insurgents fighting on political fatigue in the United States, hoping to solve their military problems and achieve their political objectives by inhibiting or even interrupting the U.S. support that has enabled El Salvador's center to seize and hold the initiative in defense of democracy. ■

U.S. Import Duties Increase for Certain Brazilian Products

PROCLAMATION 5885,
Oct. 20, 1988¹

On July 21, 1988, prior to the date of enactment of section 1301 of the Omnibus Trade and Competitiveness Act of 1988 (P.L. 100-418), I determined pursuant to section 301 of the Trade Act of 1974, as amended (19 U.S.C. 2411), that the Government of Brazil has failed to provide process product patent protection for pharmaceutical products and fine chemicals, and that this failure is unreasonable and constitutes a burden or restriction on U.S. commerce (53 Fed. Reg. 28177). This failure permits the unauthorized copying of pharmaceutical products and processes that were invented by U.S. firms. I directed the United States Trade Representative to hold public hearings on products of Brazil that were appropriate candidates for increased duties or other import restrictions, and those hearings were held on September 8 and 9, 1988. I have further

determined, pursuant to section 301 of the Trade Act of 1974, as amended by the Omnibus Trade and Competitiveness Act of 1988, that appropriate and feasible action in response to Brazil's unreasonable policies and practices is to impose increased duties of 100 percent *ad valorem* on certain imported articles that are the products of Brazil.

2. Section 301 of the Act as amended authorizes appropriate and feasible action within the power of the President to obtain the elimination of an act, policy, or practice of a foreign government that is inconsistent with the provisions of, or otherwise denies benefits to the United States under, a trade agreement; or is unjustifiable, unreasonable, or discriminatory and burdens or restricts U.S. commerce. Section 301 authorizes the suspension, withdrawal, or prevention of the application of benefits of trade agreement concessions with respect to, and the imposition of duties or other import restrictions on the products of, such foreign country for such time as is appropriate. Pursuant to section 301, such actions may be taken on a nondiscriminatory basis or solely against the products of the foreign country involved.

3. I have decided, pursuant to section 301, to increase U.S. import duties on the articles provided for in the annexes to this Proclamation that are the products of Brazil.

4. Section 604 of the Trade Act of 1974 (19 U.S.C. 2483) authorizes the President to embody in the Tariff Schedules of the United States (TSUS) the substance of the provisions of that Act, of other Acts affecting import treatment, and of actions taken thereunder. Section 1204(b) of the Omnibus Trade and Competitiveness Act of 1988 requires that I proclaim such modifications to the Harmonized Tariff Schedule of the United States (HTS), as enacted in section 1204 of that Act, as are necessary or appropriate to implement the applicable provisions of statutes enacted, executive actions taken, and final judicial decisions rendered, after January 1, 1988, and before the effective date of the HTS.

NOW, THEREFORE, I RONALD REAGAN, President of the United States of America, acting under the authority vested in me by the Constitution and statutes of the United States, including but not limited to sections 301 and 604 of the Trade Act of 1974, as amended and section 1204 of the Omnibus Trade and Competitiveness Act of 1988, do proclaim that:

(1) Subpart B of part 2 of the Appendix to the TSUS is modified as provided in Annex I to this Proclamation.

(2) Chapter 99 of the HTS is modified as provided in Annex II to this Proclamation.

(3) The United States Trade Representative is authorized to suspend, modify, or terminate the increased duties imposed by this Proclamation upon publication in the *Federal Register* of his determination that such action is in the interest of the United States.

(4)(a) The modifications to the TSUS made by Annex I to this Proclamation are effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 10th day after the date of signature of this Proclamation.

(b) The modifications to the HTS made by Annex II to this Proclamation are effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after January 1, 1989.

IN WITNESS WHEREOF, I have hereunto set my hand this twentieth day of October, in the year of our Lord nineteen hundred and eighty-eight, and of the Independence of the United States of America the two hundred and thirteenth.

RONALD REAGAN

¹Text from Weekly Compilation of Presidential Documents of Oct. 24, 1988. ■

Current Actions

MULTILATERAL

Arbitration

Convention on the recognition and enforcement of foreign arbitral awards. Done at New York June 10, 1958. Entered into force June 7, 1959; for the U.S. Dec. 29, 1970. TIAS 6997.

Accession deposited: Dominica, Oct. 28, 1988.

Aviation

Protocol on the authentic quadrilingual text of the convention on international civil aviation (TIAS 1591), with annex. Done at Montreal Sept. 30, 1977.¹

Acceptance deposited: Antigua and Barbuda, Nov. 14, 1988.

Canals

Protocol to the treaty concerning the permanent neutrality and operation of the Panama Canal (TIAS 10029). Done at Washington Sept. 7, 1977. Enters into force for each state at the time of deposit of its instrument of accession.

Accession deposited: U.S.S.R., Nov. 2, 1988.

TREATIES

Conservation

Convention on international trade in endangered species of wild fauna and flora, with appendices. Done at Washington Mar. 3, 1973. Entered into force July 1, 1975. TIAS 8249.

Accession deposited: Burundi, Aug. 8, 1988.

Amendment to the convention of Mar. 3, 1973, on international trade in endangered species of wild fauna and flora (TIAS 8249). Done at Gaborone Apr. 30, 1983.¹ [Senate] Treaty Doc. 98-10.
Acceptances deposited: China, July 7, 1988; Mauritius, July 21, 1988.

Judicial Procedure

Convention on the civil aspects of international child abduction. Done at The Hague Oct. 25, 1980. Entered into force Dec. 1, 1983; for the U.S. July 1, 1988. [Senate] Treaty Doc. 99-11.

Proclaimed by the President: Nov. 7, 1988.²

Inter-American convention on letters rogatory. Done at Panama City Jan. 30, 1975. Entered into force Jan. 16, 1976; for the U.S. Aug. 27, 1988. [Senate] Treaty Doc. 98-27.

Additional protocol to the Inter-American convention on letters rogatory, with annex. Done at Montevideo May 8, 1979. Entered into force June 14, 1980; for the U.S. Aug. 27, 1988. [Senate] Treaty Doc. 98-27.
Proclaimed by the President: Nov. 8, 1988.²

Organization of American States

Protocol of amendment to the Charter of the Organization of American States (TIAS 2361) "Protocol of Cartagena de Indias." Signed at Cartagena de Indias, Colombia, Dec. 5, 1985.¹

Ratification deposited: Argentina, Nov. 7, 1988; Brazil, Oct. 3, 1988.

Pollution

Convention for the protection and development of the marine environment of the wider Caribbean region, with annex and protocol concerning cooperation in combating oil spills in the wider Caribbean region, with annex. Done at Cartagena Mar. 24, 1983. Entered into force Oct. 11, 1986. [Senate] Treaty Doc. 98-13.

Accession deposited: Cuba, Sept. 15, 1988.

Convention for the protection of the ozone layer, with annexes. Done at Vienna Mar. 22, 1985. Entered into force Sept. 22, 1988. [Senate] Treaty Doc. 99-9.
Accession deposited: Nigeria, Oct. 31, 1988.

Terrorism

International convention against the taking of hostages. Done at New York Dec. 17, 1979. Entered into force June 3, 1983; for the U.S. Jan. 6, 1985.

Accession deposited: Brunei, Oct. 18, 1988.

BILATERAL

Argentina

Swap agreement, with memorandum of understanding. Signed at Washington and Buenos Aires Oct. 19, 1988. Entered into force Oct. 19, 1988.

Bangladesh

Agreement amending the agreement of Feb. 19 and 24, 1986, as amended, concerning trade in certain apparel categories. Effected by exchange of notes at Dhaka July 14 and Sept. 15, 1988. Entered into force Sept. 15, 1988.

Canada

Agreement amending the agreement of Feb. 26, 1973, as amended (TIAS 7837, 9352), for promotion of safety on the Great Lakes by means of radio. Effected by exchange of notes at Ottawa Dec. 22, 1987, and Aug. 10 and Oct. 24, 1988. Enters into force Feb. 1, 1989.

Costa Rica

Agreement for the sale of agricultural commodities. Signed at San Jose Mar. 3, 1988.
Entered into force: Sept. 20, 1988.

Egypt

Project grant agreement for Cairo Water Supply II. Signed at Cairo Sept. 30, 1988. Entered into force Sept. 30, 1988.

Project grant agreement for telecommunications IV. Signed at Cairo Sept. 27, 1988. Entered into force Sept. 27, 1988.

Ghana

Agreement relating to and amending the agreement of June 15, 1987, for sales of agricultural commodities. Signed at Accra Sept. 23, 1988. Entered into force Sept. 23, 1988.

Jamaica

Agreement relating to the agreement of Jan. 15, 1987, as amended, for sales of agricultural commodities. Signed at Kingston Sept. 22, 1988. Entered into force Sept. 22, 1988.

Jordan

Mutual support agreement, with annex. Signed at Amman Oct. 30, 1988. Entered into force Oct. 30, 1988.

Mexico

Agreement amending the agreement of June 18, 1982, as amended (TIAS 1053) relating to assignments and usage of television broadcasting channels in the frequency range 470-806 MHz (channels 14-69) along the U.S.-Mexico border. Effected by exchange of notes at Washington June 22 and Oct. 19, 1988. Entered into force Oct. 19, 1988.

Agreement on reduced air fares. Effected by exchange of letters at Mexico Sept. 23, 1988. Entered into force Sept. 23, 1988.
Supersedes agreement of Jan. 20, 1978, extended (TIAS 10115).

Memorandum of understanding on additional services (double designation), with annex. Signed at Mexico Sept. 23, 1988. Entered into force Sept. 23, 1988.

Memorandum of understanding on all services. Signed at Mexico Sept. 23, 1988. Entered into force Sept. 23, 1988.

Memorandum of understanding on charter flights. Signed at Mexico Sept. 23, 1988. Entered into force Sept. 23, 1988.
Supersedes agreement of Jan. 20, 1978, extended (TIAS 10115).

Oman

Memorandum of agreement relating to provision of technical assistance to improve Oman's air transportation services, with annexes. Signed at Muscat Sept. 13, 1988. Entered into force Sept. 13, 1988; effected Apr. 1, 1988.
Supersedes agreement of Dec. 14, 1978, May 18, 1980, as extended (TIAS 982).

Pakistan

Agreement amending the agreement of May 20 and June 11, 1987, as amended concerning trade in textiles and textile products. Effected by exchange of letters at Washington Oct. 14 and 17, 1988. Entered into force Oct. 17, 1988.

Agreement relating to the agreement of June 25, 1987, for the sale of agricultural commodities. Signed at Islamabad Sept. 22, 1988. Entered into force Sept. 22, 1988.

Ninth amendment to the commodity import grant and loan agreement for agricultural commodities and equipment. Signed at Islamabad Sept. 22, 1988. Entered into force Sept. 22, 1988.

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gram grant agreement for balance of payments support and special development aid. Signed at Islamabad Sept. 29, 1988. Entered into force Sept. 29, 1988.

ject grant agreement for private sector development. Signed at Islamabad Sept. 29, 1988. Entered into force Sept. 29, 1988.

Paraguay
Mutual cooperation agreement for reducing demand, illicit production, and traffic of drugs. Signed at Asuncion Sept. 22, 1988. Entered into force Sept. 22, 1988.

Philippines
Memorandum of agreement supplementing and amending the agreement of Mar. 14, 1987, as amended (TIAS 1775, 10699), concerning military bases, with agreed minutes. Signed at Washington Oct. 17, 1988. Entered into force Oct. 17, 1988.

Sri Lanka
Agreement relating to the agreement of Nov. 13, 1986, for sales of agricultural commodities. Signed at Colombo Sept. 30, 1988. Entered into force Sept. 30, 1988.

Agreement relating to trade in textiles and textile products, with annexes. Effected by exchange of notes at Colombo May 23 and 24, 1988. Entered into force May 24, 1988; effective June 1, 1988.

United Kingdom
Agreement extending the agreement of Nov. 14, 1987, concerning the British Virgin Islands and narcotics activities. Effected by exchange of notes at Washington Oct. 10, 1988. Entered into force Nov. 10, 1988; effective Nov. 12, 1988.

Memorandum of understanding on the exchange of subunits. Signed at Washington Oct. 5, 1988. Entered into force Oct. 5, 1988.

Zambia
Agreement for sales of agricultural commodities. Signed at Sanaa Sept. 29, 1988. Entered into force Sept. 29, 1988.

Agreement amending the agreement of Oct. 24, 1988, as amended, for sales of agricultural commodities. Effected by exchange of letters at Kinshasa Oct. 4-5, 1988. Entered into force Oct. 5, 1988.

¹Not in force.

²With reservation(s). ■

Department of State

Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

No.	Date	Subject
230	11/2	Shultz: remarks before American and European Nuclear Societies and the Nuclear Energy Forum, Oct. 31.
231	11/2	<i>Foreign Relations of the United States, 1952-1954, Volume VIII, Eastern Europe; the Soviet Union; Eastern Mediterranean</i> , released.
232	11/3	Shultz: remarks before Overseas Security Advisory Council, Nov. 2
*233	11/4	Shultz: remarks at Una Chapman Cox awards ceremony.
*234	11/4	Shultz: remarks at Security Awareness Week awards ceremony.
*235	11/4	Shultz: remarks upon receiving the B'nai B'rith Philip M. Klutznick award.
*236	11/8	Shultz: remarks at opening of Sergei Petrov photography exhibit.
*237	11/8	Shultz: remarks, question-and-answer session before the American Council of Young Political Leaders.

*238	11/9	Shultz: remarks on President-elect Bush's appointment of James Baker as Secretary of State.
*239	11/14	Program for the official visit to Washington, D.C., of Prime Minister Thatcher of the United Kingdom of Great Britain and Northern Ireland, Nov. 15-17.
*240	11/14	Program for the official working visit to Washington, D.C., of Chancellor Kohl of the Federal Republic of Germany, Nov. 15.
241	11/16	Shultz: address at the OAS General Assembly, San Salvador, Nov. 14.
242	11/16	Shultz: news conference, OAS General Assembly, San Salvador, Nov. 14.
*243	11/17	Shultz: luncheon toast, OAS, San Salvador, Nov. 14.
*244	11/16	Shultz: luncheon toast in honor of Prime Minister Thatcher.
*245	11/18	Shultz: remarks before group of Soviet and American municipal leaders.
*246	11/30	Shultz: interview on USIA Worldnet's "Dialogue."

*Not printed in the BULLETIN. ■

USUN

Press releases may be obtained from the Public Affairs Office, U.S. Mission to the United Nations, 799 United Nations Plaza, New York, N.Y. 10017.

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*71	8/17	Okun: condolences to the Government of Pakistan on death of President Zia, UN General Assembly.
*72	9/8	Byrne: Khmer refugees, UNBRO.
*73	9/12	Korn: Africa, Programme of Action for African Economic Recovery and Development, 1986-1990.

*74	9/13	White House announcement on U.S. contributions to the UN.
*75	9/20	U.S. delegation to the 43d session of the UN General Assembly.
*76	9/23	Byrne: Nicaraguan delegation visa applications, Committee on Relations with the Host Country.
77	9/26	Reagan: address before 43d session of the UN General Assembly.
*78	9/27	Walters: Panama, UN General Assembly.
*79	9/30	Rondon: Cuba, UN General Assembly, Sept. 29.
*80	9/29	Walters: note to correspondents on the Nobel Peace Prize.

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*81	9/30	Rondon: Cuba, UN General Assembly, Sept. 29.	105	10/25	White House statement: conference on chemical weapons use to be hosted in Paris on Jan. 7-11, 1989, Oct. 21.
*82	10/4	Shearouse: conference patterns, Committee V.	*106	10/25	Okun: International Court of Justice judgment against Nicaragua, UN General Assembly.
*83	10/5	Okun: reply to Libya, UN General Assembly, Oct. 4.	*107	10/25	Bunton: Western Sahara, Committee IV.
*84	10/5	Korn: world economy, Committee II.	*108	10/26	Byrne: social issues, Committee III.
*85	10/5	Gross: reply to Syria, plenary.	*109	10/26	Okun: UN peacekeeping operations, Special Political Committee.
*86	10/6	Hoh: Joint Inspection Unit, Committee V.	*110	10/26	Byrne: apartheid, UN General Assembly.
*87	10/12	Okun: pledging conference for assistance to Afghanistan, Trusteeship Council.	*111	10/27	Kennedy: IAEA report, UN General Assembly.
*88	10/13	Gross: report on effects of atomic radiation, Special Political Committee.	*112	10/27	Koop: WHO 40th anniversary, UN General Assembly.
*89	10/13	Chisholm: financial statements, Committee V.	*113	10/27	Boschwitz: environment and development, Committee II.
*90	10/13	Cahill: locust, human settlement, ECOSOC reform, Committee II.	*114	10/28	Saddler: UNITAR, Committee II.
*91	10/13	Montgomery: U.S.-Israeli relations, Committee II.	*115	10/28	Shearouse: International Civil Service Commission report, Committee V.
*92	10/13	Rondon: reply to Nicaragua, UN General Assembly.	*116	10/31	Cahill: disaster relief assistance, Committee II.
*93	10/14	Byrne: racial discrimination, Committee III.	*Not printed in the BULLETIN. ■		
*94	10/17	Montgomery: UN and League of Arab States cooperation, UN General Assembly.			
*95	10/17	Note to correspondents: Ambassador Korn returns to private sector.	Department of State		
*96	10/18	Burns: arms control and disarmament, Committee II.			
*97	10/20	Rosenstock: report on UN Charter Special Committee, Committee VI.			
*98	10/20	Byrne: American Samoa, Guam, and U.S. Virgin Islands, Committee IV.			
*99	10/20	Reagan: statement upon signing House Joint Resolution 602 regarding Cambodia, Oct. 18.			
*100	10/21	Montgomery: external debt and development, Committee II.			
*101	10/24	Montgomery: outer space, Special Political Committee.			
*102	10/24	Note to correspondents: Mrs. Reagan's address to Committee III, Oct. 25.			
*103	10/25	Reagan: narcotics, Committee III.			
*104	10/24	Reagan: UN Day proclamation, Oct. 24.			

Department of State

Free single copies of the following Department of State publications are available from the Public Information Division, Bureau of Public Affairs, Department of State, Washington, D.C. 20520.

The Secretary

The Ecology of International Change, Commonwealth Club of California, San Francisco, Oct. 28, 1988 (Current Policy #1120).

The Administration's Arms Control Legacy, American and European Nuclear Societies and the Nuclear Energy Forum, Oct. 31, 1988 (Current Policy #1121).

The Inter-American System: Into the Next Century, General Assembly of the Organization of American States, San Salvador, Nov. 14, 1988 (Current Policy #1126).

East Asia

Trends in U.S.-Japan Economic Cooperation, Deputy Assistant Secretary Clark, Subcommittee on Asian and Pacific Affairs of the House Foreign Affairs Committee, Oct. 13, 1988 (Current Policy #1124).

Philippines Military Bases Agreement view, 1988, Oct. 17, 1988, (Selected Documents #33).

Economics

Global Economic Integration, Deputy Secretary Whitehead, Economic Policy Council of the United Nations Association of the USA, Sept. 20, 1988 (Current Policy #1119).

Europe

Western Europe: The European Community's Program for a Single Market in 1992 (Regional Brief, Nov. 1988).

General

Building a Flexible Framework for New Information Services, Acting Coordinator and Director Parker W. Borg, INTELEVENT '88 Conference, Carlsbad, France, Oct. 19, 1988 (Current Policy #1123).

U.S. Foreign Policy in a Time of Transition, national security adviser Powell, National Press Club, Oct. 27, 1988 (Current Policy #1127).

Human Rights

Good News: Our Human Rights Policy, Senior Policy Adviser George List, Florida International University, Miami, Oct. 3, 1988 (Current Policy #1125).

Universal Declaration of Human Rights 40th Anniversary (GIST, Nov. 1988).

Middle East

Lebanon: At the Crossroads, Assistant Secretary Murphy, American University of Beirut (AUB) Alumni Conference, Orlando, Oct. 29, 1988 (Current Policy #1122).

Refugees

UNHCR Programs to Protect Vietnamese Refugees (GIST, Nov. 1988).

Western Hemisphere

El Salvador: The Battle for Democracy (Public Information Series, Nov. 1988).

Caribbean Basin Special Textile Accession Program (GIST, Nov. 1988). ■

Foreign Relations Volume Released

The Department of State, on November 2, 1988, released *Foreign Relations of the United States, 1952-1954, Volume I, Eastern Europe; the Soviet Union; the Eastern Mediterranean.*

The U.S. policy toward Eastern Europe during this period was dominated by two considerations: encouragement of the independence of Eastern European countries from Soviet control and concern over refugees and escapees from the area. The United States considered national communism along the lines of Tito's model for Yugoslavia a step toward greater independence in the region. Treatment of refugees and escapees remained a delicate problem throughout the period.

Diplomacy finally solved the issue of divided Trieste. The United States was anxious to withdraw its troops from the territory as well as to reconcile Yugoslav and Italian territorial claims. A diplomatic settlement was finally achieved in the fall of 1954 despite difficulties created by Italian and Yugoslav mutual distrust.

U.S. relations with the Soviet Union during the period were characterized by tension and discord culminating in the Soviet declaration of Ambassador George Kennan as *persona non grata* in October 1952. Marshal Stalin's death in March 1953 and the rise of Georgi Malenkov to power, however, ushered in a period of relative detente.

Military and economic considerations dominated U.S. policy toward Yugoslavia. The economic needs of that country were partially met by unilateral and tripartite assistance, but military cooperation between Yugoslavia and the West experienced shaky beginnings and remained uncertain at the end of 1954.

Documentation on Cyprus focuses on the questions of self-determination at the United Nations for Cyprus and the movement within the island for union with Greece. Bilateral relations with Greece and Turkey centered on political, military, and economic matters.

Foreign Relations, 1952-1954, Volume VIII, comprising over 1,400 pages of previously classified foreign affairs records, was prepared in the Office of the Historian, Bureau of Public Affairs, Department of State. This official record is based upon the files of the White House, the Department of State, and other government agencies.

Copies of Volume VIII (Department of State Publication No. 9618; GPO Stock No. 044-000-02196-0) may be purchased for \$33.00 from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Checks or money orders should be payable to the Superintendent of Documents.

Press release 231. ■

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**Department
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Department of State bulletin

Volume 89 / Number 2143 / February 1989

President Gorbachev, President Reagan, and Vice President Bush, Governor's Island, New York, on December 7, 1988.

(White House photo by Bill Fitz-Patrick)

The DEPARTMENT OF STATE BULLETIN, published by the Office of Public Communication in the Bureau of Public Affairs, is the official record of U.S. foreign policy. Its purpose is to provide the public, the Congress, and government agencies with information on developments in U.S. foreign relations and the work of the Department of State and the Foreign Service. The BULLETIN's contents include major addresses and news conferences of the President and the Secretary of State; statements made before congressional committees by the Secretary and other senior State Department officials; selected press releases issued by the White House, the Department, and the U.S. Mission to the United Nations; and treaties and other agreements to which the United States is or may become a party. Special features, articles, and other supportive material (such as maps, charts, photographs, and graphs) are published frequently to provide additional information on current issues but should not necessarily be interpreted as official U.S. policy statements.

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(White House photo by Pete Souza)

President Reagan, President Gorbachev, and Vice President Bush on Governor's Island with the New York City skyline in the background.

President Reagan and President Gorbachev Meet in New York

*President Reagan and Mikhail S. Gorbachev,
Chairman of the Presidium
of the Supreme Soviet,
met on Governor's Island, New York,
on December 7, 1988.*

Our meeting today is under the gaze of Lady Liberty, and I think that's altogether appropriate. The quest for human rights and personal freedom is very much a part of the agenda of American-Soviet relations....since they began in 1985, my discussions with President Gorbachev have been friendly, businesslike, and productive. And although our time together today will be brief, I welcome this opportunity for a final meeting between myself, President Gorbachev, and Vice President Bush that will demonstrate the continuity of the process we first put in place at Geneva in 1985.

The pursuit of peace is, of course, always in season. But I think it's especially appropriate that President Gorbachev should be here at this time of year, a time when the thoughts and prayers of all of us turn to the hope that someday nations and people from every part of the world will live in peace and harmony with one another. It is for this reason that I journey to New York.

**President Reagan's
Departure Remarks,
The White House,
Dec. 7, 1988**



President Reagan and President Gorbachev at their fifth and final meeting.

(White House photo by Bill Fitz-Patrick)

Text from Weekly Compilation of
Presidential Documents of Dec. 12, 1988. ■



President Reagan hosted a luncheon for President Gorbachev at the Coast Guard Commandant's residence on Governor's Island. Around the table (left to right) are Vice President Bush, President Reagan, Secretary Shultz, national security adviser Gen. Powell, Secretary Carlucci, Soviet Ambassador Dubinin, Foreign Minister Shevardnadze, and President Gorbachev.



Secretary Shultz and Soviet Foreign Minister Shevardnadze.

U.S.-Soviet Relations

Following are President Reagan's addresses of December 3, 1988, and December 10.

DEC. 3, 1988¹

There's a meeting in New York next week I'm looking forward to. I'll be getting together next Wednesday on Governor's Island with the leader of the Soviet Union, Chairman Gorbachev. This will be our last such meeting, and I must admit that I would not have predicted after first taking office that someday I would be waxing nostalgic about my meetings with Soviet leaders. But here we are for the fifth time, Mr. Gorbachev and I together, in the hope of furthering peace.

And always in my mind, I go back to that first summit held in 1985 at a private villa on the shores of Lake Geneva. At the first of our fireside talks, I said to Mr. Gorbachev that ours was a quiet meeting between two people who had the power to start world war or to begin a new era for humanity. The opportunity for such a new era is rare and very real. That isn't to say, of course, that that era is already upon us. No, too many fundamental differences on matters such as human rights and regional tensions remain unsettled between East and West. But it is to say that there is the hope of an era in which the terrible nightmares of the postwar era—totalitarianism and nuclear terror—may diminish significantly, please, God, someday fade away. Throughout the postwar period, this has always been America's agenda: that blessings of peace and freedom flow so well in this country will somehow belong to every nation, to every people.

Toward this end, the United States and its allies have, over the last 40 years, pursued a course of public and military strength but also a course of vigorous diplomatic engagement with the Soviets. And the Soviets have responded. The result has been progress on a wide series of fronts. The most and most obvious, we have signed the first treaty in history reducing nuclear armaments, indeed, wiping out a whole class of U.S. and Soviet nuclear missiles. So, too, other arms negotiations are moving forward. In pursuing

this cause, the Soviets must abide by past agreements. And in this regard, the Krasnoyarsk radar violation remains a significant problem.

In the area of regional conflicts, we've seen a partial Soviet withdrawal from Afghanistan and a commitment to full withdrawal by February. In Angola U.S. mediation has led to a cease-fire and prospects for a political settlement and withdrawal of Cuban troops. In Cambodia steps have been taken toward a withdrawal of Vietnamese troops. And in other regions, we have seen movement toward peace.

So, too, in our bilateral relations with the Soviets, there has been movement toward wider exchanges between our two peoples that bring American and Soviet citizens in closer contact and communication.

Finally, but most important, in the area of human rights, we have also seen progress. Yes, we welcome recent steps like an end to jamming of Western broadcasts heard in the Soviet Union. But we also are hopeful that talk of democratic reform and greater freedom for all the Warsaw Pact countries will become more than just talk. We hope, for example, for a day when the Soviet Union will permit the publication of the works of Solzhenitsyn or the day when the Berlin Wall will be no more. Yes, we want bold words of reform about political and religious expression to become more than just words.

So for all the progress and all the hope, the journey to this final meeting between Mr. Gorbachev and me at Governor's Island has been a difficult one. And believe me, the journey toward better Soviet-American relations will remain a difficult one. Yet it is a journey that must continue beyond any single President or term of office. And that's why I'm particularly delighted that Vice President George Bush will be joining Mr. Gorbachev and me at Governor's Island next week.

I've spoken many times about Vice President Bush's foreign policy credentials and his long experience in this field. At every stage in the summit process, he has been at my side. No one is better versed in the details of Soviet American relations or has a stronger foreign policy portfolio than our Vice President.

While our get-together next week will not be a working summit with a formal agenda, you can be sure I'll be telling Mr. Gorbachev that George Bush represents change, yes, but also continuity; that he stands for firmness and strength and candor in the cause of freedom; that he knows intimately the essentials of the Soviet-American relationship; and that the American people do not want treaties for the sake of treaties—they want agreements that endure and help prevent wars as the world moves relentlessly toward a new birth of freedom for all humanity.

DEC. 10, 1988²

On Wednesday, this week, I met with Soviet President Gorbachev for the fifth time. Together we stood under the gaze of Lady Liberty, speaking of the prospects of peace for the peoples of our two nations and for all the world. Yes, since our first summit in Geneva 3 years ago, we've traveled a great journey that has seen remarkable progress, a journey we continue to travel together. I am pleased that the Soviet Union has accepted our offer of humanitarian aid in the wake of their devastating earthquake tragedy.

This has also been a period of important change inside the Soviet Union. The greater openness permitted by Moscow can be found in films, art, and literature. There is greater tolerance for those seeking to peacefully assemble, and the official press carries more independent opinions and factual reporting.

And just a few years ago, who would have anticipated seeing a Soviet leader stand before the world community, heralding a plan for economic restructuring and military deployments and promising to meet the world community's highest standards of human rights? If this vision is realized and these promises are turned into deeds, we would be witnessing a dramatic change in the Soviet system, a long-awaited break with the past and the opening of a new era in international affairs.

Certainly the Soviet reforms have their limits, and brave dissenters within that country who have sought a fuller measure of openness continue to be dealt with harshly. But I was encouraged by the new promises of reform that Mr. Gorbachev made before the United Nations and hope to see

these and past promises translated into permanent institutional changes that will signal to the peoples of the Soviet Union and the world a courageous commitment to a new path of democratization. We already see unprecedented diversity in Eastern Europe, with some countries pursuing reforms that go even beyond the Soviet example, while other countries continue to lag behind. We hope to see the day when all countries of Eastern Europe enjoy the freedom, democracy, and self-determination that their peoples have long awaited.

Just a decade ago, some intellectuals widely predicted what they called convergence: the idea that the democratic world and the communist world would merge into one hybrid system. The main question amounted to how much freedom would democratic nations have to give up in the bargain. But instead the free world held firm to its democratic values, cleaving to truths deeply rooted in Western culture and our Judeo-Christian tradition. Moreover we spoke openly of the moral superiority of our ideal of freedom. We candidly criticized the violations of human rights occurring behind the Iron Curtain. We rebuilt our defenses and with our allies worked to counter international aggression by our totalitarian adversaries. And we exhibited that scarcest of commodities: patience. And our steadfastness, our policies, our whole approach has borne fruit. Perhaps the most dramatic achievement came 1 year ago, when Mr. Gorbachev and I signed the historic Intermediate-Range Nuclear Forces (INF) Treaty to eliminate an entire class of U.S. and Soviet nuclear missiles.

Next week the Prime Ministers of two of our key NATO allies—Turkey and Italy—will visit Washington. And certainly, along with other issues, we plan to discuss this week's visit by Mr. Gorbachev and the strategic situation in Europe.

For some time now, the Soviet bloc has had overwhelming superiority in conventional forces in Europe, so we welcome the Soviet force reductions that are promised. But let's remember this: Even after these redeployments are completed in 1991, the Warsaw Pact will still have a large conventional advantage—an edge of about 5 to 2 in tanks and artillery and some 300,000 more troops. These unilateral reductions would, however, give a long-awaited encouragement for our efforts to achieve the genuine balance in conventional forces that would assure

greater security and stability in Europe.

In these brightest of times, let us recall that in the darkest days of World War II, when hopes for the free world seemed most bleak, Winston Churchill rallied us to carry on, saying that "We have not journeyed all this way because we are made of sugar candy." By summoning all their strength and courage, and by pulling together, the Allies prevailed. The war was won. The decades following World War II were filled with political tensions and threats to world freedom. But in recent years, we've seen hopes for a free and peaceful future restored and the chance for a new

U.S.-Soviet relationship emerge. To the American people and to our allies I would echo Churchill and say we have not come this far through lack of strength or any weakness in our resolve, nor has there been anything inevitable about what we've achieved. The unity, confidence, power, and firmness of the democracies has brought us forward, and maintaining a strong alliance will keep us moving forward.

¹Text from Weekly Compilation of Presidential Documents of Dec. 12, 1988.

²Text from Weekly Compilation of Presidential Documents of Dec. 19. ■

News Conference of December 8 (Excerpts)

President Reagan held a news conference on December 8, 1988.¹

We've got to stop meeting like this. [Laughter]

As most of you know, President Gorbachev has had to return to the Soviet Union due to the enormity of the tragedy in Armenia. And in a phone conversation this morning, I conveyed to him the deep sympathy of the American people and our anxiousness to provide any humanitarian assistance we possibly can.

The nature of President Gorbachev's departure is unfortunate and provides a sad final note to what has been an otherwise successful—and I use the next words advisedly—happy and historic visit to the United States. It was in this spirit that yesterday at lunch I presented Mr. Gorbachev a memento of our first meeting: an inscribed photo of the walk we took together in Geneva in 1985. The inscription read simply: "We have walked a long way together to clear a path for peace."

And so we have. It was exactly 1 year ago today that an event here in this room spoke to the epoch-making nature of what has been achieved: the signing of the first treaty to eliminate an entire class of U.S. and Soviet nuclear missiles. Even in the short year since then, we've had the Moscow summit and Mr. Gorbachev's visit here. In our negotiating agenda of regional conflicts, human rights, bilateral exchanges, and arms reductions, we've seen serious movement and even some breakthroughs. Yesterday's address to the United Nations by President Gor-

bachev was not only a part of this process, it was the result of this process; I congratulate him on it.

On a personal note, Nancy and I were delighted that the Gorbachevs extended an invitation for us to visit Moscow. And as we have done before, each of us expressed the hope that they would visit us in California.

The path remains open, and the pace of peace continues. As I said yesterday, this means our responsibilities have grown not less but more serious. We must remain resolute and without illusion. And we must speak candidly about fundamental points of difference. We must especially maintain our military strength, but we must also continue our course of vigorous diplomatic engagement.

I cannot tonight attempt to put these events in perspective or, still less, to claim credit for any person or administration. Let it be enough to say this: that since 1985, extraordinary things have happened, and nothing more extraordinary than the sight yesterday of a President of the United States and a future President of the United States and a President of the Soviet Union standing together in New York harbor under the protective gaze of the Statue of Liberty.

Our hope, our prayer, remains the same as that heard on the lips of so many millions who looked up once, as we did yesterday, to see the outstretched lamp of liberty and who felt for the first time its warmth and glow—a prayer that someday freedom will light the world and become the blessing

d birthright of every people everywhere.

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Q. Mr. Gorbachev yesterday announced a major cutback in the Soviet troop strength and talked generally about nations relying less on military might. Do you think that Mr. Gorbachev is trying to remake the Soviet Union into a less threatening country?

A. Yes, I do. And I think he recognizes that their massive buildup has been responsible for the great economic crisis that he faces there in the Soviet Union. And, yes, he has proposed this, at least so, there still will be room for negotiations on arms because this still leaves them with superiority in the amount of conventional weapons that they have.

Q. Aside from the conventional weapons where the Soviets do retain an advantage, is there an area where the United States might be able to make a unilateral cutback in arms itself?

A. We're still way below them in that. But we have announced our willingness to continue into—well, before we ever made this move—and we're very grateful for this, and I appreciate it very much—but we have proposed that at the next negotiations with regard to military and then between us should be in the area of conventional weapons.

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Q. This is your final news conference with us, we think. And at your last news conference, you said that the Soviets would commit any crime, would lie, would cheat, would steal to achieve their political goals. Now, tonight, you're celebrating your joint progress with President Gorbachev in celebrating a speech in which he announced the use of force by the Soviet Union to achieve foreign policy goals. Do you think that he has really changed? And to the extent that he has changed, have you changed? What have you learned over these years that may have changed your view of the Soviet System?

A. I know so many of you have noted this in that first press conference of mine, and Sam [Sam Donaldson, ABC News], I think it was your question.

Q. She stole my question.

A. Yes, but none of you ever thought to give the complete answer. I think, in their own words this was their

philosophy, and it was in writing that there was no crime. All of these things were not a crime if they advanced the cause of socialism. Now, I didn't make that up. That's what they said. I think there's been a change. That was four leaders back before this one. And I think there have been some changes. One we just talked about earlier, of his cut in armaments.

Q. What about the changes in your own thinking? Granted that they have changed and that Mr. Gorbachev is a very different kind of Soviet leader, but do you think in any way that your previous views might have been rigid or poorly formed?

A. There were differences in these leaders. And there is a situation now where many of the things that they preached have been proven unsound, and that's why their economy is in such great trouble. But I must say I have never met with one of those leaders that was comparable to this man or had the approach that he has. But he knows that I feel that—well, we put it this way, as I've said, my philosophy is: Trust everybody, but cut the cards.

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Q. Until recently the United States has been reluctant for the Soviet Union to play a significant role in the Middle East. But now, with Mr. Gorbachev's new cooperation or openness, how do you suppose you could use him to expedite the peace process?

A. I think that, once again, here we're going to have to see whether this is still acceptable to the parties that are to be involved in the direct negotiations. Actually, we talk of an international gathering or something, but the Middle East, which is still technically in a state of war—that must be resolved between the nations of the Middle East in direct negotiations. And if we can help bring that about, then I would welcome anyone who wants to help.

Q. In light of his speech yesterday at the United Nations, are there any new steps that we can take to continue the arms reduction process?

A. Oh, yes. We have long said that as soon as we once settle this issue of the START [strategic arms reduction talks] agreement—I have said that I think our next goal must be to now engage in negotiations on reducing conventional weapons.

Q. Now that you're leaving the White House, or will soon, what is

going to become of the *contras* and resistance forces in Nicaragua without you here as their champion? And do you have a commitment from President-elect Bush to carry on the same policy line that you have for supporting the Nicaraguans—

A. Obviously, I do not try to pin him down. He is the President-elect, and he will be the President when he takes over. But I do believe, knowing him—and our association together for all these years—I believe that he agrees with me that the *contras* are freedom fighters, and they are trying to achieve democracy in their country, which is now a communist totalitarian government.

Q. You've made a career lately of using an old Russian proverb: "Trust, but verify." But given that verification can never be a 100% science, given that there are always a few percentage points where you just can't be sure, do you trust General Secretary Gorbachev for those few points?

A. As I said, right now with regard to the INF [Intermediate-Range Nuclear Forces] Treaty, we have worked out verification provisions that are greater than anything that has ever been done before between us. And I think that there is a reasonable chance, a very reasonable chance, that we can continue to have that kind of verification.

One of the first things that I talked over with Mr. Gorbachev in Geneva when we first met was that I said to him we both didn't have great military—how did I say it—put it that we—that we didn't mistrust each other because of our great military; we had our military because we mistrusted each other; and that our negotiations should be aimed at removing the causes of mistrust. And I have to say it's pretty much followed that pattern.

Q. What I want to know is: Do you trust Gorbachev?

A. He hasn't shown me any reason yet that I shouldn't, but again, as I've said, that's why I kept referring to *dovorey no provorey*—trust but verify. And he knows that, and neither one of us—I don't think that he would gamble on believing that he shouldn't protect his own interests also.

Q. At your meeting with Mr. Gorbachev yesterday, you toasted the things that he and Vice President Bush will accomplish. You spoke this evening about the grave economic crises that Mr. Gorbachev faces. What is the U.S. assessment of his long-term chances for political survival?

A. I realize, that I think we all should, that he is battling a bureaucracy; because whether it's a Russian bureaucracy or one of our own, the first rule of bureaucracy is protect the bureaucracy. And it would mean some great changes for some of the *nomenclatura*, as they call their bureaucracy there, if he institutes the reforms that he's talking about. But on the plus side for him, it's very evident that the people of the Soviet Union are on his side. They want this *perestroika* and this *glasnost* that he has talked about very much. And I have to believe that the *nomenclatura* is going to have to think twice with regard to how far they would go in trying to block him when the man in the street over there wants the things that have been seen.

Q. You could help Mr. Gorbachev with a severe domestic political problem, that is, Afghanistan—how to pull out of there with honor. He suggested at the United Nations yesterday an in-place cease-fire, a cessation of outside military aid. Some people think this could lead to a partition of Afghanistan. What's wrong with that? It would save lives and would help Mr. Gorbachev.

A. There's one thing. If we're talking about disarming the *mujahidin*, remember that there is still a military force in Afghanistan that was organized by the puppet government established by the Soviet Union. And they're a force that has been fighting along with the Soviets and side by side against the *mujahidin*. If you want to get around to disarming both sides—you can't suddenly disarm the *mujahidin* and leave them at the mercy of this already military management.

Q. But Mr. Gorbachev proposed at the United Nations yesterday sending in a UN peacekeeping force just to do this.

A. You'd have to take up with the United Nations. This is something rather exceptional that he's asking on that, and I'm not sure that the United Nations would like that or that the United Nations is prepared to do such a thing.

Q. What would you like?

A. I think that we've got to recognize that if the Afghan people are going to be able to state and create the government they want, then that puppet government has got to be ready and willing to step down, and not have some kind of a compromise thing in which it remains as a government, compromising with the others. Let's let

them start from scratch and build the government they want.

Q. Let me bring you back to the Middle East. You've got very little time left, and Mr. Arafat of the PLO [Palestine Liberation Organization] seems to be inching toward the kinds of conditions you and Mr. Shultz have said he should. Is this perhaps not time to go the inch in his direction and start some kind of talks with Mr. Arafat rather than, as Mr. Shultz did, close the door on him?

A. No, we've been watching very closely. And for example, we thought in the last few days that there was a statement that came out of that meeting in Sweden that appeared to be clean-cut and not with the things around the edge that then defused what seemed to be a pledge. But we had to wait until his press conference and what he said. And I have to say that again he has left openings for himself, where he can deny that he meant this or meant that that sounded so clean-cut. It's up to him. We are willing to meet with him and talk with him, and I'm sure the Israelis would be, when once and for all it is clear-cut that he is ready to recognize Israel's right to be a nation, that he is ready to negotiate on behalf of the Palestinian people for a homeland for them, and so forth.

The thing about George Shultz's decision—I'd like to call to your attention—there is a law passed by the Congress with regard to the conditions for granting a waiver to someone to come in and meet with the United Nations or participate in what they're doing. And there's no way under that law that Mr. Arafat qualifies as yet. And the day that he does, and it is clear-cut, then we can grant that visa. But as I say, he is barred by the terms of that law, and the only way that the—and the Secretary of State has full power under that law. It's his decision to make. And he can only grant a waiver if an individual meets certain requirements, and Arafat doesn't.

Q. Did he not in his statement say that he accepts the UN articles and that he recognizes Israel? What is the fine line that he hasn't crossed?

A. What we're still analyzing is—then, as he went on, other things in which—it's a case, and this has happened before, certainly with the same individual—you could quote to him, Oh, you said this, but he's still in a position where he can say, well, yes, but wait a minute, I also said this. And then you find that the second "this" kind of reduces or nullifies the first "this."

.....
Q. Do you have any reason to believe that the American hostages who are still being held in the Middle East will be released after you leave office?

A. I don't think that anyone that takes over this office is going to give, nor did I. That is, again, one of those things I should have said to your question—that you go to bed with every night. And we are hopeful that there can be avenues that would open. We cannot enter into negotiating in the sense of what kind of ransom to pay, you're just encouraging more hostage taking. But there are other channels. We're not advocating that any individual, as some have, take it upon themselves to try to get them out. But we're looking at every channel that we can find to try and get them. And I imagine that the ultimate is going to have to be somehow a negotiation with Iran, because they have control of those people.

Q. So, you would be willing to this negotiation with Iran. Is that right—either now or before you leave office or after Mr. Bush takes over—you're willing to negotiate with Iran?

A. Oh, there have got to be some changes there, too. We were not negotiating with them on the so-called Iran *contra* affair at all. We were heeding plea from some individuals. And at the time all of you were kind of heralding the day in the media that was going to come within a week that the ayatollah would no longer be the head of government because of his health. And these people [were] among those who were planning ahead to have a government.

Q. Are you going to do it now?

A. What?

Q. Are you going to do it now?

A. There are things, conditions, that have to be met also there. Any time that they are ready to come forward on an open basis, we would be ready to talk to them.

Q. The United States and the Soviet Union were once allies during World War II. Do you see that the beginning that had been made here with you and Mr. Gorbachev results in a situation where we would once more count the Soviet Union as an ally and have free and open trade with them on a large-scale basis?

A. I think that is all dependent on them. If it can be definitely established that they no longer are following the expansionist policy that was instituted in the communist revolution; that the

Secretary's Interview on "This Week With David Brinkley"

Secretary Shultz was interviewed on ABC-TV's "This Week With David Brinkley" on December 4, 1988, by David Brinkley and Sam Donaldson, ABC News, and George F. Will, ABC News analyst.

Q. Is that something you want?

A. Yes. One of the first things that I've ever told him when we met, I said, "There are two of us here in this room, just two men." And I said, "It's a unique situation. Between us, we have the power to start world war III, or between us, we have the power to bring peace to the world—a lasting peace." And apparently, we've been working in that direction.

Q. If the Soviet Union makes good on it, and does reduce its troop strength, there's talk on Capitol Hill at perhaps the United States can follow suit, and in the process reduce its defense spending and make an impact on the budget deficit. Do you foresee that as a realistic possibility?

A. I guess I wasn't switching signals here fast enough at the very beginning of this. Are you suggesting that a defense spending is—

Q. Soviet troop cuts could lead to some cuts on our own, and that this would help to reduce the deficit? People are already looking—some Democrats—thinking that this may help us reduce the deficit.

A. Once again, I must repeat, that it won't happen with our defense spending until we have reached a parity and at that time then both sides can continue the reduction of weapons and spending it at a parity. But that is not the case today. The dropping of 500,000 military personnel still leaves them with 5 million under arms. They still outnumber us in tanks and artillery weapons after they make these cuts. So, we haven't achieved parity, but at least if he goes through with that and succeeds in that, he is going to bring it down to a range where I think that he would see that we could proceed and continue then mutually reducing arms.

Q. Thank you very much for coming in. I calculate roughly you have 7 weeks left as Secretary of State, about that time?

A. Something like that. And I must say, it's very active. It doesn't seem to let up at all.

Q. It never does. What will you do when you leave here, when your term is over?

A. Go back to California. Stanford University offered me a chair, and I declined. I said I must have a couch. So I'm hoping to occupy a couch at Stanford.

Q. We wish you luck. Now you heard Mr. Gerasimov [Soviet foreign ministry spokesman] and a number of others talking about American-Soviet Union relations. And you hear people saying the cold war is over. What is your view?

A. Things are certainly very different. And you can say that with justification. But it seems to me what one should do is go through, subject-by-subject, human rights, regional issues, efforts at arms control, as well as our bilateral relations with the Soviet Union. And when you do that, you see that our ability to solve problems—important problems, as well as lesser ones—is much improved. And it's having its effect, its ripple effect, on many other issues.

Q. Now those issues you mentioned were—what was the first? Human rights?

A. Human rights.

Q. Human rights. We haven't been able to do much with that, have we?

A. We've done a tremendous amount with that.

Q. I mean for the Russians.

A. It's a totally different picture. When I first became Secretary of State and I brought up human rights issues with Foreign Minister Gromyko, he just said, "I won't discuss it." And I kept

discussing it, but he wouldn't. Now we have an organized, systematic dialogue on the subject. And there have been sweeping changes inside the Soviet Union. There are still problems, and they're still not measuring up, we don't think, completely to their undertakings in the Helsinki Final Act. But things are certainly very, very different and much better.

Q. Concerning the regional issue of Afghanistan, Mr. Gerasimov, if I heard him right, said, "Well, we should talk about the business of full compliance with the agreement to be out by when, I guess February 15th?"

A. Yes.

Q. Why do we need to talk about that?

A. We don't.

Q. It's an agreement entered into. Are you confident then that they will be out?

A. That is my expectation. And there's no reason why they shouldn't, and every reason why they should.

Q. Didn't he say that that's our agreement and—

Q. We're as good as our word, he said.

Q. As to imply it was taken for granted they will abide by it. That was my understanding.

Q. He said that their word is to be taken there, as elsewhere. It is the position of the U.S. Government, for example, to take one live issue, that their word was not good with regard to the radar.

A. The Krasnoyarsk radar, we believe it's a violation of the ABM [Anti-ballistic Missile] Treaty.

Q. We have never, under any Administration of any party, seemed to have found a way to make our belief in arms control violations effective, to actually get the things changed very well. Are we going to get that changed? And what—

A. I think in the end we'll be able to deal successfully with the Krasnoyarsk radar. But we're going to have to stick to our position, which is that it has to be so arranged that the advantage from what has been constructed already in lead time toward a phased-array radar, which that is, is basically eliminated. And maybe they'll do that in the context of the space re-

¹Text from Weekly Compilation of Presidential Documents of Dec. 12, 1988. ■

search center that Mr. Gerasimov referred to. And that's a matter for negotiation. But it'll have to be altered.

Q. In the context of this idea of Soviet compliance with agreements, Vice President Bush campaigning made a complete ban on the production and stockpiles of chemical weapons sort of the Bush next stage in arms control. I believe you, in a closed session in October 1987 in Brussels, indicated to NATO members that such an agreement would be flatly unverifiable, and it is hard to see how you could verify that. Given that, and given the principle that you shouldn't limit things you can't verify the limitations on, isn't the Vice President mistaken? And isn't his proposal one that would simply result in the dismantling of our deterrent capacity in chemical warfare?

A. No, I think the Vice President is profoundly correct that the potential or a spread of chemical and biological weapons, and their use, is one of the most serious threats we face. And in labeling it so, and expressing a determination to do everything possible to deal with it, I think he's right. But now, it's in the nature of the case that being absolutely sure that you know that agreements are being lived up to is practically impossible in that field. Nevertheless, we know a lot about chemical weapons in various countries. We know who is producing them. We know where they're producing them. So it isn't as though we're totally without knowledge on this subject.

Q. Israel, when they decided that Iraq was building a nuclear weapons facility and would be apt to use it, went in and disarmed Iraq. We know, I gather, the building in Libya where they're producing chemical weapons. What would be wrong with Israel and/or the United States disarming Libya?

A. We feel very strongly that this facility in Libya you referred to is a chemical weapons production plant. We object to it strenuously. And our tack at this point is to call attention to it, among our allies, including those who we think have helped, perhaps not knowingly, in the production of that plant, and to try to bring it about that way.

Q. But chemical warfare was used to devastating effect—something Hitler didn't do—in the Iran-Iraq war, and nothing happened. There were no sanctions whatever. I mean, world opinion and all that, but nothing happened.

A. It's a tragedy that that's happened. And we called attention to it, whenever we had evidence, including the use of chemical weapons by Iraq against the Kurdish population. It's a very serious problem. And the President has called for a reconvening of the countries that signed the 1925 protocol against the use of chemical and biological weapons. The French are going to host that conference in January. We have to heighten people's concern about this subject, as well as put into place everything we can possibly do to ban these weapons. They're terrible.

Q. I know we want to get to a discussion of your decision to bar Arafat [Palestine Liberation Organization leader Yasir Arafat] from the United Nations here. But before we do, I have a couple of news questions this morning. The revolt in Argentina, or what appears to be a revolt against the Alfonsin government, what is our position, and what's your latest information on that?

A. Our position is that we are absolutely opposed to military coups. We totally support President Alfonsin, and I think he's going to succeed.

Q. Without U.S. aid? He has not asked for U.S. assistance?

A. He can handle that. But we have made it very clear that we're completely on the side of President Alfonsin and on the side of democratic civilian rule. And I think it's worth noting that throughout Argentina, there are expressions of support for democratic, civilian rule.

Q. The Israeli arms merchant, Amiram Nir, who brought us the idea of selling arms to the Ayatollah, who brought the idea of diverting some of the money from that sale to the *contras*, was killed in Mexico, as you know, this past week. And this morning *The Washington Post* has a story saying that he told them that Israel and the United States has a secret accord. In 1985 and 1986, we worked together in counterterrorist measures according to that accord. Does such an accord exist?

A. Not that I know of.

Q. Did it ever exist?

A. Not that I know of.

Q. You suggest that maybe it existed and you didn't know about it.

A. There are all sorts of—I'm just giving an honest answer.

Q. I'm not challenging your honesty. I'm just saying that we—

A. We have all sorts of discussion with Israel about many things. We are both opposed to terrorism. We both have many interests in common. But as far as the sort of thing being inferred in the *Post* article, I have no information on that.

Q. Is it not regular that if there were such an accord, the Secretary of State should know about it?

A. Apparently a lot of things happened in the course of the Iran/*contra* business that the Secretary of State didn't know about.

Q. Your decision to deny a visa to Yasir Arafat has antagonized our friends and enemies all over the world. You have any regrets?

A. No. I think it's a good decision. And as people get further and further away from it, and look back on it, I think they're going to come around and see how important it is for us to be very clear and very firm in our attitude toward terrorism.

Q. Do you think that applies to our closest friends and allies in Western Europe—the British, the French and so on?

A. I'm very comfortable with the decision.

Q. They voted against it.

A. They voted against us, but I have a few supporters.

Q. You do have some supporters?

Q. You didn't in the United Nations. We only heard there were two votes.

A. I live in the United States. As I'm Secretary of State for the United States. And I was very pleased to hear what the President of the United States had to say. And I was very pleased to hear what I think around 68 Senators of the United States had to say.

Q. May I ask you about two of the rationales? You have decided it in the national security interest of the United States not to allow Mr. Arafat a visa. But you've said that other members of the PLO, including their permanent representative Ter can speak. Why? Why not keep everyone out from the PLO?

A. Because, as chairman and the responsible party, Mr. Arafat must know about, condone, and lend support to the terrorist activities taking place, particularly within the Fatah organization.

Q. But other members would not now?

A. So he bears a responsibility.

Q. Other members of the organization would not know about these activities?

A. They are more in the nature of people functioning in the organization. And we have concluded that since the United Nations has invited the PLO to be an observer for the General Assembly sessions, that we would grant visas to the people who come in connection with manning that post.

Q. But that's what I don't understand. You say they're functioning. You mean they're just following orders and, therefore, somehow they're okay?

A. They are a problem. But we have to swallow and go ahead with it. On the other hand, Arafat is presumably the leader. And these people more or less report to him. So he bears responsibility; that's a little different.

Q. Let me ask about a second rationale. We asked Mr. Gerasimov about a visa for Gorbachev. You wanted a visa for him.

A. Yes, of course.

Q. Yet the Soviet Union has convicted terrorism against its own citizens and against Americans. I remember at the time of the shooting down of Flight #007, you excoriated the Soviet Union. You said they knew exactly what they were doing, that they were shooting down a civilian plane. And that's still your belief, that they knew that?

A. I believe that the pilot must have been able to observe that plane and should have been able to identify it because of its very distinctive profile.

Q. And I've heard you speak, the Nicaraguan—

A. Now as far as the Arafat visa is concerned—as far as the Arafat visa is concerned—let me remind you that there is a law in the United States that holds the PLO to be a terrorist organization and denies visas to members of the PLO. That's the law. And I administer under that law.

Q. Why not keep Terzi out?

A. It says that the Secretary of State may recommend to the Attorney General, who then has to make another determination, a waiver of the visa, if he deems it proper. So in judging whether or not to make that request for a waiver, I think it's quite proper for me to look especially at terrorism. And that's what I did.

Q. That's what I've asked you about the Soviet Union. How about Nicaragua?

A. And what I find is—

Q. Ortega? Is Ortega all right? You've allowed him to come.

A. There is no such law having to do with Nicaragua. But—and I don't particularly like some of these characters you're referring to—on the other hand, as Secretary of State, I have a decision to make under a law. And I considered that decision very carefully, and I'm very comfortable that it's the right answer.

Q. One theme of the criticism offered of your decision was that it came after, unfortunately, the Algiers decision, which ostensibly, say your critics, represented substantial movement on the part of the PLO toward moderation. After several weeks of looking at that heavily nuanced document, can you tell us, was there significant movement toward moderation on the part of the PLO? And if so, wherein did it consist?

A. I think that it had some significant movement. And we said so, and encouraged that. On the other hand, the things that people are saying are not, I don't think, reasonable interpretations of the document. It is said, for example, that they accept [UN Security Council Resolutions] 242 and 338 as a basis for peace negotiations. What they did was, they listed in one part of the document UN resolutions they accept: 242 and 338 were not there. Then they have a portion on an international conference that very heavily conditions the acceptance of 242 and 338. So you can't really say that they have accepted it. Furthermore, it's on that that people hang this notion that they have recognized Israel's right to exist. And you have to strain yourself to find that. So what I would like to see is for them to say straight out that they accept Israel's right to exist; that they accept 242 and 338; and they flatly renounce the use of terrorism in all its forms.

Q. Bearing in mind that in recent Middle Eastern history, Arab leaders who have taken a "moderate" view of Israel have been killed—

A. Yes, that's terrorism. Those people are enemies of the peace process.

Q. So in view of that, was it not surprising that they did even what they did in Algiers?

A. I'm glad to see them do what they did in Algiers, and I don't mind

saying so, and I hope to do more, because we need more. And I'll encourage it in every way I can.

Q. We have a treaty with the United Nations when it was formed—a headquarters agreement treaty—in which we have said we would not interpose any impediment to people coming to the United Nations on official or—I don't have the exact language—on business that the United Nations requested. Why do that? Why break that treaty?

A. We didn't break the treaty.

Q. You did in the case, many believe, of Arafat.

A. I don't think so. Because we also said that we agreed to the headquarters agreement, but we carefully preserved our right to exclude people who we think threaten the security interests of the United States.

Q. But you said that wasn't the law that you were using.

A. And we have done that on many occasions. And we did it in this occasion.

Q. So your view is not, then—let me get it straight—previously you cited the law, you said, against the PLO.

A. Yes.

Q. Now you're citing another law, which talks about security of the United States. Did you believe Mr. Arafat might be a personal threat to Americans if he came here?

A. The chain of logic you have to go through is, first of all, do we have any right to exclude anybody that the United Nation invites? The answer to that is clearly, yes, we do. And then second, within the scope of that reservation, given our law, was it proper to exclude Arafat on the grounds of terrorism and terrorism's relationship to our security. And I think the answer to that is yes.

Q. Won't he get a lot more publicity in Geneva now? Won't the spotlight be on him, if you oppose terrorism?

A. I think the spotlight is certainly on him. It would have been on him in New York. And I hope that the right result of the spotlight is that it is clearer and cleaner and comes forward in a stronger way. Nothing could please me more if he does that.

¹Press release 249 of Dec. 5, 1988. ■

Angola/Namibia Accords

WHITE HOUSE STATEMENT, DEC. 13, 1988¹

The signing of the protocol of Brazzaville this morning by the Governments of South Africa, Cuba, and Angola opens the way to peace and stability in southwestern Africa. This development fulfills President Reagan's policy determination made early in this Administration to seek the removal of all foreign troops from Angola, the implementation of UN [Security Council] Resolution 435 for the independence of Namibia, and support for the UNITA [National Union for the Total Independence of Angola] freedom fighters in Angola. It was the combination of the U.S. steadfast support for these objectives and skillful mediation over a period of 8 years that made this breakthrough for peace possible. The American mediating team, the participating governments, and President Sassou-Nguesso of the Congo are to be congratulated for their role in this extraordinary achievement. We hope that this major diplomatic milestone in southern Africa will be followed by renewed efforts to settle the internal conflict in Angola through a process of national reconciliation and peaceful negotiation among Angolans.

ASSISTANT SECRETARY CROCKER'S REMARKS, DEC. 13, 1988²

Today's ceremony—the signing of the Brazzaville protocol by Angola, Cuba, and South Africa—is the culmination of many months of hard work by distinguished representatives of three sovereign governments which, faced by a stark choice of peace or war, chose to work for peace. With the signature of this protocol, the path is now clear for early signature of a tripartite agreement that will bring an end to the international conflict in southwestern Africa. This event signifies the end of a sad chapter in Africa's modern history and the beginning of a new chapter. Speaking for my government, we have high hopes that this will be a chapter that witnesses reduced internal and international strife, greater opportunity

for the building of just and prosperous societies, and strengthened prospects for international cooperation in support of African development and stability.

On behalf of the delegation of the United States, which has had the honor to serve as mediator in these negotiations, and on behalf of the delegations of the three governments here present today, I would like to express our deepest gratitude to you, Mr. President [Denis Sassou-Nguesso]. As the leader of the People's Republic of the Congo, we salute your own contributions to this historic peace process in southern Africa. I recall that in April 1987 it was your invitation, while chairman of the Organization of African Unity, to meet in Brazzaville that served as a catalyst to restore and reinvigorate contact and dialogue between my government and the Government of the People's Republic of Angola. Today is the fifth occasion since that meeting nearly 2 years ago that we have assembled in Brazzaville in our joint search for peace in the region. Your hospitality, Mr. President, and the cooperation and assistance of the Government of the People's Republic of the Congo have been a vital part of this process. You have encouraged us and supported us, and we are most grateful.

It is also appropriate today to salute the determination and professionalism of the delegations from Angola, Cuba, and South Africa that over the past 8 months have met in London, Cairo, Geneva, New York, and here in Brazzaville. The process has been long, painstaking, and often frustrating for everyone concerned. Without the extraordinary dedication and skill of the principal negotiators, we would not have been able to achieve this settlement. I would also like to pay tribute to two parties who have not been present officially at the negotiating table but whose cooperation and assistance have been crucial throughout the course of these negotiations.

As mediator, we have developed a pattern of close, practical, and effective cooperation with our Soviet counterparts. Despite some differences in perspective and different roles in the negotiating process, the United States and

the U.S.S.R. have been able to work cooperatively to move the process forward. It has been a case study of superpower effort to support the resolution of regional conflicts. So, I would like to salute the hard work and professional dedication of the Soviet officials who have been involved in this intensive effort over the past months.

The United Nations has the responsibility to implement UN Security Council Resolution 435/78 and to oversee the transition to Namibian independence, as well as to verify the withdrawal of Cuban troops from Angola. These are complex undertakings and are essential for the successful implementation of the agreements the parties are entering into. We have been fortunate to have had the benefit of the advice, support, and counsel of a real statesman, UN Secretary General Javier Perez de Cuellar, and of another distinguished international civil servant, Under Secretary General Martti Ahtisaari, and his colleagues from the United Nations, through the negotiations.

In conclusion, I would like to say a word about my own country and its role in the search for a peaceful solution in Africa. As this protracted negotiation means a successful conclusion, it is worth noting the ingredients that have made success possible. First, our role has been welcomed by our partners in Africa and by our friends and allies around the world. My country does not have blueprints for the solution of every problem or a mandate to play such a role. But we are prepared to involve ourselves in the search for constructive solutions when such a role is welcome and appropriate. Second, we have been realists. We have recognized that lasting solutions can only be based on the concrete historical realities of a given situation. Just as man cannot eat slogans, neither can statesmen solve problems with rhetorical clichés and abstract formulas. Third, we have tried to chart a clear course and stick with it. This is an approach that may sometimes fall short of shifting fashions and popular hopes for instant results. But over time this is the approach that gives confidence and predictability to key decisionmakers. It is the approach that works.

PROTOCOL OF BRAZZAVILLE, DEC. 13, 1988

delegations representing the Governments of the People's Republic of Angola, the Republic of Cuba, and the Republic of South Africa,

Meeting in Brazzaville with the mediation of the Government of the United States of America,

Expressing their deep appreciation to the President of the People's Republic of the Congo, Colonel Denis Sassou-Nguesso, for his indispensable contribution to the cause of peace in Southwestern Africa and for the hospitality extended to the delegations by the Government of the People's Republic of the Congo,

Confirming their commitment to act in accordance with the Principles for a Peaceful Settlement in Southwestern Africa, established at New York on 13 July 1988 and approved by their respective Governments on 20 July 1988, each of which is indispensable to a comprehensive settlement; with the understandings reached at Geneva on 5 August 1988 that are not superseded by this document; and with the agreement reached at Geneva on 15 November 1988 for the redeployment to the North and the aged and total withdrawal of Cuban troops from Angola,

Urging the international community to provide economic and financial support for the implementation of all aspects of this settlement,

Agree as follows:

1. The parties agree to recommend to the Secretary General of the United Nations that 1 April 1989 be established as the date for implementation of UNSCR 578.
2. The parties agree to meet on 22 December 1988 in New York for signature of the tripartite agreement and for signature of Angola and Cuba of their bilateral agreement. By the date of signature, Angola and Cuba shall have reached agreement with the Secretary General of the United Nations on verification arrangements to be approved by the Security Council.
3. The parties agree to exchange the prisoners of war upon signature of the tripartite agreement.
4. The parties agree to establish a Joint Commission in accordance with the annex attached to this protocol.

Annex on the Joint Commission

With the objective of facilitating the resolution of any dispute regarding the interpretation or implementation of the tripartite agreement, the parties hereby establish a Joint Commission, which shall begin its work upon signature of the tripartite agreement.

2. The Joint Commission shall serve as a forum for discussion and resolution of issues regarding the interpretation and implementation of the tripartite agreement, and for such other purposes as the parties in the future may mutually agree.

3. The parties invite the United States of America and the Union of Soviet Socialist Republics to participate as observers in the work of the Commission.

Furthermore, the parties agree that, upon the independence of Namibia, the Namibian Government should be included as a full member of the Joint Commission. To that end, the parties will extend a formal invitation to the Namibian Government to join the Joint Commission on the date of Namibian independence.

4. The Joint Commission shall be constituted within thirty days of the signing of the tripartite agreement. The Joint Commission shall establish its own regulations and rules of procedure for regular meetings and for special meetings which may be requested by any party.

5. The decision by a party to discuss or seek the resolution of an issue in the Joint Commission shall not prejudice the right of that party to raise the issue, as it deems appropriate, before the Security Council of the United Nations or to pursue such other means of dispute resolution as are available under international law.

6. The Joint Commission shall in no way function as a substitute for UNTAG (including the monitoring role of UNTAG outside Namibia) or for the UN entity performing verification in Angola.

SECRETARY'S STATEMENT, DEC. 22, 1988³

This is a moment for celebration of achievement and dedication to a better future in southern Africa.

But it is a moment as well of the immense tragedy of yesterday's airline disaster [in Scotland]. Here we remember the UN Commissioner for Namibia, Mr. Bernt Carlson. Bernt Carlson was a tireless champion of Namibia's independence. His memory will be honored by all who wish Namibia well. We grieve for him and for all those who lost their lives and extend profound sympathy to their relatives and friends. Please join me in a silent moment of grief and prayer.

Mr. Secretary General; Your Excellencies the Foreign Ministers of the People's Republic of Angola, the Republic of Cuba, and the Republic of

South Africa; distinguished guests: We meet here today for the signing of two major agreements—a bilateral agreement between the People's Republic of Angola and the Republic of Cuba and a tripartite accord among the People's Republic of Angola, the Republic of Cuba, and the Republic of South Africa.

The first order of business this morning is the signing of the trilateral agreement, and I now invite His Excellency the Foreign Minister of the People's Republic of Angola, Afonso Van Dunem, His Excellency the Foreign Minister of Cuba, Isidoro Octavio Mamierca, and His Excellency the Foreign Minister of the Republic of South Africa, R.F. Botha, to sign their tripartite agreement. [The parties sign the agreement.]

Mr. Secretary General, on behalf of the United States, as mediator of these now-concluded negotiations, and on behalf of the parties themselves—Angola, Cuba, and South Africa—I am honored to present to the community of nations—through you—the agreement just signed by these ministers.

This is an occasion for both celebration and sober reflection. We have just witnessed the signing of an unprecedented agreement that will bring long-awaited peace to southwestern Africa and independence to Namibia. It is appropriate that we do so at the headquarters of the United Nations, where 10 years ago, the Security Council adopted Resolution 435. Today we are privileged to participate in the culmination of a decade of effort to implement the UN plan to assist Namibia in taking its rightful place in the family of nations.

The regional settlement concluded here today represents a momentous turning point in the history of southern Africa.

With the independence of Namibia, Africa's last colonial question will have been resolved. As the guns fall silent across the borders of southwestern Africa, the world will look to the nations of that vast region to turn to resolution of their pressing internal problems through peaceful means. We are especially mindful of the heavy responsibility assumed by the parties to the tripartite agreement and by the international community to see that the commitments undertaken today are fully and faithfully implemented. Nothing else will adequately respond to the aspirations of all the peoples of southwestern Africa for a new era of peace and prosperity.



UN Secretary General Javier Perez de Cuellar (seated, center) presided at the signing ceremony of the Angola/Namibia accords at UN headquarters. On the left is South African Foreign Minister Botha and on the right is Secretary Shultz.

I salute the negotiators of the agreement. In an age of mass media and public diplomacy, we are sometimes told that the ancient arts of negotiation—communication, compromise, and, above all, patience—are no longer relevant. You have proven otherwise. Each of your governments empowered you to negotiate and supported you with bold and timely decisions for peace. Your triumph has vindicated their faith in you and will give heart to others who still struggle to resolve conflicts around the world. You have reminded us all that, even in the complex world of modern diplomacy, individuals do make a difference.

We welcome the presence today of Deputy Foreign Minister Adamishin and department head Vasev as representatives of the Soviet Union. It is fitting that they be here because the Soviet Union has played an important and constructive role in the peace process in southwestern Africa. The parties themselves made the sovereign decision for peace, but, in doing so, they have been encouraged and strongly supported by both the United States and the Soviet Union. Though our roles have been different, our close cooperation has made an effective contribution to the achievement of this agreement. Let us hope that we can both draw from our experience in this process as we continue our regional dialogue aimed at peaceful resolution of other pressing regional conflicts.

Now that the parties have signed their trilateral agreement, the United Nations will undertake in earnest the

formidable task of implementing Security Council Resolution 435. This will be a complex undertaking requiring considerable expenditure of resources in an era of tight budgets for member governments and the United Nations itself. I reaffirm today that the United States will do its share. We look to other member states to join us in this great endeavor.

The United Nations can be justly proud of its leading role in the implementation of this regional settlement. The UN Transition Assistance Group (UNTAG) will have the challenging task of ensuring free and fair elections leading to independence in Namibia. The United Nations has also been requested by the Governments of the People's Republic of Angola and the Republic of Cuba to verify the departure of Cuban troops from Angola. The Secretary General, his Special Representative for Namibia, Marti Ahtisaari, and their team enjoy the full confidence of the parties and the member states. I am confident that they will perform magnificently, further enhancing the prestige of the United Nations.

At this season, millions of people around the world consider in a special way the meaning of peace on Earth and look forward with hope to a new year. The governments and individuals gathered together in this place have truly given the world a special gift. They have given us all a fresh and very welcome demonstration of the human capacity to put aside the tools of war in favor of the instruments of peace.

PRESIDENT'S STATEMENT, DEC. 22, 1988¹

I am pleased to announce that Secretary of State Shultz represented the United States at a very important ceremony today in New York, in which formal agreements were signed aimed at bringing peace to southwestern Africa. The Foreign Ministers of South Africa, Angola, and Cuba signed accords leading to the staged and complete withdrawal of Cuban military forces from Angola and for implementation of UN Security Council Resolution 435 leading to independence for Namibia. The United States mediated negotiations leading to these historic agreements.

The agreements signed today are the result of intense negotiations which have taken place over several years. They promise to end the cycle of violence which has plagued the Namibian Angolan border area for more than 13 years, inflicting untold human misery and property damage. We are pleased that Namibia is to gain its long overdue independence, after being occupied by South African forces for more than 70 years.

Regarding the Cuban military in Angola, the United States long has contended that the presence of Cuban combat forces was a destabilizing element in the region. We are gratified that they will be departing the African Continent. When completed in 1991, the total withdrawal of Cuban forces from Angola will end one of the major regional problems that have troubled U.S.-Soviet relations in recent years.

The United States, as mediator in the negotiations, is pleased to have assisted the parties to find a peaceful formula to reconcile differences and look forward to working with other members of the joint commission formed to monitor implementation of the agreements.

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TRIPARTITE AGREEMENT, DEC. 22, 1988

AGREEMENT AMONG
THE PEOPLE'S REPUBLIC OF ANGOLA,
THE REPUBLIC OF CUBA,
AND
THE REPUBLIC OF SOUTH AFRICA

The governments of the People's Republic of Angola, the Republic of Cuba, and the Republic of South Africa, hereinafter designated as "the Parties,"

Taking into account the "Principles for Peaceful Settlement in Southwestern Africa," approved by the Parties on 20 July 1988, and the subsequent negotiations with respect to the implementation of these principles, each of which is indispensable for a comprehensive settlement,

Considering the acceptance by the Parties of the implementation of United Nations Security Council Resolution 435 (1978), adopted on 29 September 1978, hereinafter designated as "UNSCR 435/78,"

Considering the conclusion of the bilateral agreement between the People's Republic of Angola and the Republic of Cuba providing for the redeployment toward the north and the staged and total withdrawal of Cuban troops from the territory of the People's Republic of Angola,

Recognizing the role of the United Nations Security Council in implementing UNSCR 435/78 and in supporting the implementation of the present agreement,

Affirming the sovereignty, sovereign equality, and independence of all states of southwestern Africa,

Affirming the principle of non-interference in the internal affairs of states,

Affirming the principle of abstention from the threat or use of force against the territorial integrity or political independence of states,

Reaffirming the right of the peoples of southwestern region of Africa to self-determination, independence, and equality of rights, and of the states of southwestern Africa to peace, development, and social progress,

Urging African and international cooperation for the settlement of the problems of the development of the southwestern region of Africa,

Expressing their appreciation for the mediating role of the Government of the United States of America,

Desiring to contribute to the establishment of peace and security in southwestern Africa,

Agree to the provisions set forth below.

(1) The Parties shall immediately request the Secretary-General of the United Nations to seek authority from the Security Council to commence implementation of UNSCR 435/78 on 1 April 1989.

(2) All military forces of the Republic of South Africa shall depart Namibia in accordance with UNSCR 435/78.

(3) Consistent with the provisions of UNSCR 435/78, the Republic of South Africa and People's Republic of Angola shall cooperate with the Secretary-General to ensure the independence of Namibia through free and fair elections and shall abstain from any action that could prevent the execution of UNSCR 435/78. The Parties shall respect the territorial integrity and inviolability of borders of Namibia and shall ensure that their territories are not used by any state, organization, or person in connection with acts of war, aggression, or violence against the territorial integrity or inviolability of borders of Namibia or any other action which could prevent the execution of UNSCR 435/78.

(4) The People's Republic of Angola and the Republic of Cuba shall implement the bilateral agreement, signed on the date of signature of this agreement, providing for the redeployment toward the North and the staged and total withdrawal of Cuban troops from the territory of the People's Republic of Angola, and the arrangements made with the Security Council of the United Nations for the on-site verification of that withdrawal.

(5) Consistent with their obligations under the Charter of the United Nations, the Parties shall refrain from the threat or use of force, and shall ensure that their respective territories are not used by any state, organization, or person in connection with any acts of war, aggression, or violence, against the territorial integrity, inviolability of borders, or independence of any state of southwestern Africa.

(6) The Parties shall respect the principle of non-interference in the internal affairs of the states of southwestern Africa.

(7) The Parties shall comply in good faith with all obligations undertaken in this agreement and shall resolve through negotiation and in a spirit of cooperation any disputes with respect to the interpretation or implementation thereof.

(8) This agreement shall enter into force upon signature.

Signed at New York in triplicate in the Portuguese, Spanish and English languages, each language being equally authentic, this 22nd day of December 1988.

FOR THE PEOPLE'S REPUBLIC
OF ANGOLA

AFONSO VAN DUNEM

FOR THE REPUBLIC OF CUBA

ISIDORO OCTAVIO MALMERCA

FOR THE REPUBLIC OF
SOUTH AFRICA

ROELOF F. BOTHA

BILATERAL AGREEMENT, DEC. 22, 1988

AGREEMENT BETWEEN THE
GOVERNMENTS OF THE PEOPLE'S
REPUBLIC OF ANGOLA AND THE REPUBLIC
OF CUBA FOR THE TERMINATION OF THE
INTERNATIONALIST MISSION OF THE
CUBAN MILITARY CONTINGENT

The Government of the People's Republic of Angola and the Republic of Cuba, hereinafter designated as the Parties,

Considering,

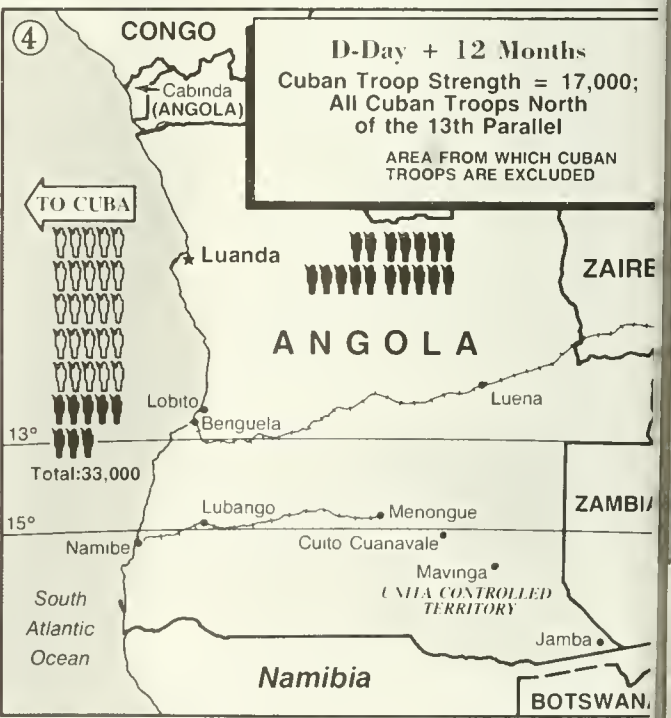
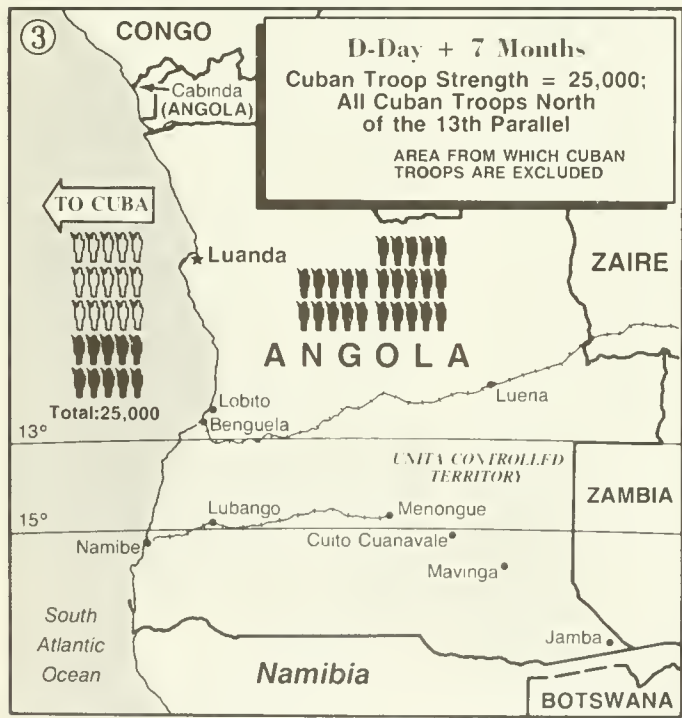
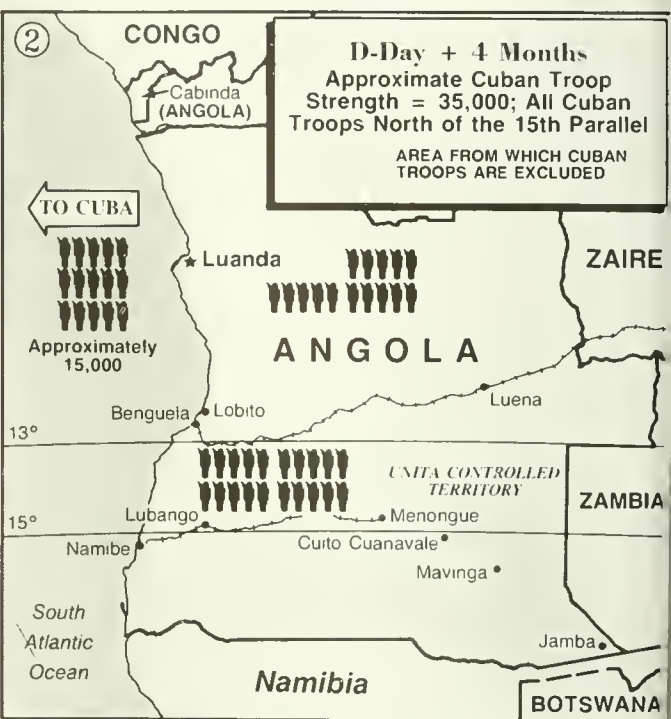
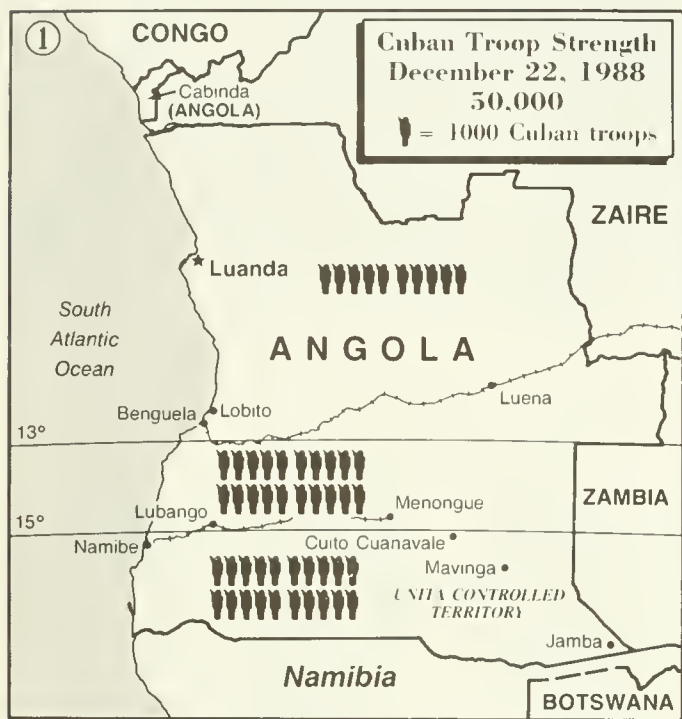
That the implementation of Resolution 435 of the Security Council of the United Nations for the independence of Namibia shall commence on the 1st of April,

That the question of the independence of Namibia and the safeguarding of the sovereignty, independence and territorial integrity of the People's Republic of Angola are closely interrelated with each other and with peace and security in the region of southwestern Africa,

That on the date of signature of this agreement a tripartite agreement among the Governments of the People's Republic of Angola, the Republic of Cuba and the Republic of South Africa shall be signed, containing the essential elements for the achievement of peace in the region of southwestern Africa,

That acceptance of and strict compliance with the foregoing will bring to an end the reasons which compelled the Government of the People's Republic of Angola to request, in the legitimate exercise of its rights under Article 51 of the United Na-

Cuban Troop Withdrawal Schedule: First Year



Names and boundary representation are not necessarily authoritative.

0235 12-88 STATE (INR/C)

ions Charter, the deployment to Angolan territory of a Cuban internationalist military contingent to guarantee, in cooperation with the FAPLA [the Angolan Government army], its territorial integrity and sovereignty in view of the invasion and occupation of part of its territory.

Noting,

The agreements signed by the Governments of the People's Republic of Angola and the Republic of Cuba on 4 February 1982 and 19 March 1984, the platform of the Government of the People's Republic of Angola approved in November 1984, and the protocol of Brazzaville signed by the Governments of the People's Republic of Angola, the Republic of Cuba and the Republic of South Africa on December 13, 1988,

Taking into account,

That conditions now exist which make possible the repatriation of the Cuban military contingent currently in Angolan territory and the successful accomplishment of their internationalist mission,

The parties agree as follows:

Article 1

To commence the redeployment by stages to the 15th and 13th parallels and the total withdrawal to Cuba of the 50,000 men who constitute the Cuban troops contingent stationed in the People's Republic of Angola, in accordance with the pace and time-frame established in the attached calendar, which is an integral part of this agreement. The total withdrawal shall be completed by the 1st of July, 1991.

Article 2

The Governments of the People's Republic of Angola and the Republic of Cuba reserve the right to modify or alter their obligations deriving from Article 1 of this Agreement in the event that flagrant violations of the Tripartite Agreement are verified.

Article 3

The Parties, through the Secretary General of the United Nations Organization, hereby request that the Security Council verify the redeployment and phased and

total withdrawal of Cuban troops from the territory of the People's Republic of Angola, and to this end shall agree on a matching protocol.

Article 4

This agreement shall enter into force upon signature of the tripartite agreement among the People's Republic of Angola, the Republic of Cuba, and the Republic of South Africa.

Signed on 22 December 1988, at the Headquarters of the United Nations Organization, in two copies, in the Portuguese and Spanish languages, each being equally authentic.

FOR THE PEOPLE'S
REPUBLIC OF ANGOLA

AFONSO VAN DUNEM

FOR THE REPUBLIC OF CUBA

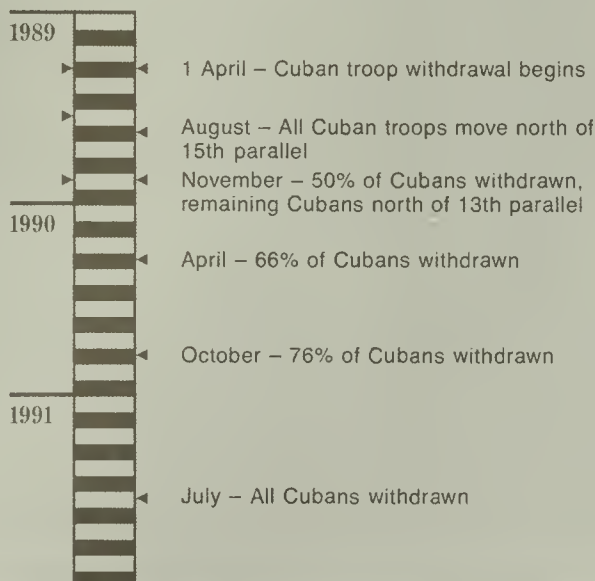
ISIDORO OCTAVIO MALMERCA

Schedule of Events

Transition to Namibian Independence

1 April – UN Resolution 435 implemented
July – South Africans down to 1,500 men
November – Elections In Namibia, remaining South African troops depart

Events During Cuban Troop Withdrawal



Annex on Troop Withdrawal Schedule

CALENDAR

In compliance with Article 1 of the agreement between the Government of the Republic of Cuba and the Government of the People's Republic of Angola for the termination of the mission of the Cuban internationalist military contingent stationed in Angolan territory, the parties establish the following calendar for the withdrawal:

Time Frames

Prior to the first of April, 1989 (date of the beginning of implementation of Resolution 435)	3,000 men
Total duration of the calendar Starting from the 1st of April, 1989	27 months
Redeployment to the north: to the 15th parallel by 1 August 1989 to the 13th parallel by 31 Oct. 1989	
Total men to be withdrawn:	
by 1 November 1989	25,000 men (50%)
by 1 April 1990	33,000 (66%)
by 1 October 1990	38,000 (76%); 12,000 men remaining
by July 1991	50,000 (100%)

Taking as its base a Cuban force of 50,000 men.

¹Text from Weekly Compilation of Presidential Documents of Dec. 19, 1988.

²Chester A. Crocker is Assistant Secretary for African Affairs.

³Press release 260 of Dec. 28 and USUN press release 181.

⁴Text from Weekly Compilation of Presidential Documents of Dec. 26. ■

Provisions of UN Resolution 435

Following agreement on a date to implement UN Resolution 435 and establishment of a formal cease-fire, a UN representative and a UN planning group would administer Namibia during the transition to independence in conjunction with the South African-appointed Administrator General. A UN Transitional Assistance Group (UNTAG) would supervise the cease-fire and monitor South African and South-West Africa People's Organization (SWAPO) forces.

Within 3 months of a cease-fire, South African forces would be reduced to 1,500 men, confined to one or two bases in northern

Namibia. SWAPO forces would be restricted to specified locations in Angola under UN supervision. All political prisoners held by both sides would be released.

Seven months after the implementation date, elections would be held under UN auspices for a new constituent assembly. The remaining South African troops would depart within a few months, once elections were certified by the United Nations and independence granted. Unarmed SWAPO members and Namibian refugees would be permitted to return to participate in the election process.

The United States and Angola, 1974–88: A Chronology

The following chronology was prepared by Nina D. Howland of the Policy Studies Division, Office of the Historian, Bureau of Public Affairs.

April 1974. A military coup in Portugal brought to power a new government dedicated to granting independence to Portugal's colonies. In Angola, however, the decolonization process was complicated by the existence of three competing nationalist movements engaged in combat: the National Front for the Liberation of Angola (FNLA), the Popular Movement for the Liberation of Angola (MPLA), and the National Union for the Total Independence of Angola (UNITA). The FNLA had close ties to Zaire; the MPLA was supported by Cuba and the Soviet Union; and UNITA was receiving some assistance from China. Publicly the United States, which had been advocating independence for Portugal's colonies since 1961, expressed no preference among these contenders.

January 15, 1975. The leaders of the three rival nationalist movements—Holden Roberto of FNLA, Agostinho Neto of MPLA, and Jonas Savimbi of

UNITA—signed the Alvor accord in Alvor, Portugal. They agreed to tripartite participation in a transitional coalition government headed by a Portuguese high commissioner, who was to be assisted by a presidential council with the chairmanship rotating among the three leaders. It was also agreed that Angola was to become fully independent from Portugal on November 1, 1975. On January 31, a transitional government was installed in Luanda, Angola, but the truce soon broke down, and the three factions renewed their internecine warfare.

June 11, 1975. FNLA leader Roberto publicly accused the Soviet Union of supplying the MPLA with tanks, heavy artillery, and guided missiles.

July 1975. Amid continuing violence in Angola, the public position of the U.S. Government was that the three factions should resolve their differences through negotiations. South Africa—unhappy at the prospect of an unfriendly, communist-dominated state on the Namibian border—began to supply arms to the FNLA and UNITA.

August 1, 1975. UNITA formally declared war on the MPLA.

August 6-8, 1975. The transitional government in Luanda collapsed as UNITA and the FNLA, which had formed a weak alliance, withdrew their ministers in the midst of full-scale civil war. At this point, the MPLA had succeeded in securing control over 12 of Angola's 16 provinces.

August 29, 1975. Portugal formally annulled the Alvor accord and dissolved the transitional government after appointing a new high commissioner.

September 23, 1975. Secretary of State Kissinger declared that events in Angola had taken a "distressing turn" and that the United States was "most alarmed at the interference of extracontinental powers," i.e., the Soviet Union and Cuba.

October 23, 1975. South Africa sent a heavily armed unit of the South African Army, including black Africans who had served in the Portuguese colonial army and white Portuguese Angolans, into Angola to aid the FNLA-UNITA alliance. The force began a major thrust north toward Luanda. The entry of South African forces into Angola was followed by a massive increase in Soviet arms shipments to the MPLA. South Africa subsequently claimed that its intervention had been intended to prevent the communists from gaining a foothold in Angola.

November 5, 1975. Cuba, which had been sending military advisers and personnel to aid the MPLA since March 1975, began direct participation in combat. By mid-November, Western intelligence sources estimated that 2,000 Cuban troops were fighting in Angola; by February 1976, the number had increased to an estimated 14,000.

November 11, 1975. On Independence Day, the existence of two Angolan republics was declared—the MPLA announced the establishment of the People's Republic of Angola with its capital in Luanda, while the FNLA and UNITA called their divided territories the People's Democratic Republic of Angola with its capital at Huambo in southern Angola. (At this point, the MPLA occupied a strip of Angolan territory from Luanda eastward to the

Zairian border, as well as the enclave of Cabinda; the FNLA controlled the northwest; and UNITA held the entire southern sector of the country.)

Secretary Kissinger said that the United States would not recognize the MPLA, which had managed to seize Luanda "through a very substantial inflow of communist arms" and that it favored negotiations to attempt to create "a transitional government that would permit the popular will to be consulted."

December 4, 1975. After consultations between President Ford and Soviet Ambassador Anatoliy Dobrynin, the Soviet Union halted its airlift to Angola.

December 19, 1975. The Senate voted 54 to 22 to approve the Tunney amendment to the FY 1976 Defense Department appropriations bill (H.R. 9861) prohibiting the use of any funds in the bill "for any activities involving Angola."

December 20, 1975. President Ford strongly criticized the Senate action because it would tie U.S. hands in Angola and warned that Cuba had already sent 4,000-6,000 combat troops.

December 25, 1975. The Soviet Union resumed its airlift to Angola.

January 4, 1976. President Ford said that the Soviet Union's large-scale military involvement in Angola was "inconsistent with detente."

January 27, 1976. Despite last minute appeals from President Ford and Secretary Kissinger, the House of Representatives, voted 323 to 99 to adopt the Tunney amendment. The President said that the vote would result in "serious harm to the interests of the United States." On February 9, he signed into law the FY 1976 Defense Department appropriations bill containing the Tunney amendment.

February 11, 1976. The Organization of African Unity (OAU) recognized the Luanda (MPLA) government and accepted it into membership. On February 14, UNITA leader Savimbi announced that his forces had moved into the bush and would henceforth carry on the struggle against the MPLA through guerrilla warfare. On February 22, Por-

tugal recognized the MPLA government in Luanda. By the end of February, the MPLA had established its control of Angola.

March 31, 1976. Following South African raids against South West Africa People's Organization (SWAPO) bases in Angola, the United States, the United Kingdom, France, Italy, and Japan abstained on UN Security Council Resolution 387 condemning South African aggression against Angola and calling upon South Africa to pay compensation for the damage it had inflicted upon that country. The United States had sought unsuccessfully during the debate to obtain a resolution condemning all foreign involvement in Angola. SWAPO, the most active Namibian liberation movement, had been conducting intermittent guerrilla warfare against South Africa's occupation of Namibia from bases in Angola since the 1960s and had greatly expanded its guerrilla activity after Portuguese forces left Angola.

May 1, 1976. Secretary Kissinger said that the United States would be willing to normalize relations with Angola if the 15,000 Cuban troops in that country were withdrawn.

June 30, 1976. President Ford signed into law the International Security Assistance and Arms Export Control Act of 1976. The act contained an amendment sponsored by Senator Dick Clark of Iowa, which reaffirmed the Tunney amendment's ban on U.S. military and other forms of assistance to any group or persons in Angola.

November 22, 1976. The United States abstained on a UN Security Council resolution recommending that the General Assembly admit Angola to membership in the United Nations. (It had vetoed a similar resolution on June 23.) On December 1, the General Assembly admitted Angola by a vote of 116 to 0, with one abstention (the United States).

February 16, 1977. President Carter declared that his Administration "would like to move toward the re-establishment of normal relationships" with Angola but that the "Cuban mercenaries" in that country presented a problem. He said that the removal of Cuban troops from Angola would be "a step toward full normalization."

May 4, 1978. South African air and ground forces launched a major attack on SWAPO bases in Angola—their first direct action since 1976. On May 6, the UN Security Council unanimously adopted Resolution 428, which condemned South Africa for its attack and for using Namibia as a springboard, and demanded its withdrawal from Angola and the end of its illegal occupation of Namibia.

May 25, 1978. President Carter told a news conference that while he did not intend to seek modification of the Clark amendment, he had asked the Secretary of State to review the various legislative restrictions on U.S. foreign aid programs in light of the need “to preserve Presidential capacity to act in the national interests at a time of rapidly changing circumstances.” He also said that the United States had “no intention of getting involved in the conflict in Angola.”

June 20, 1978. Secretary of State Vance declared that increased U.S. consultations with the Angolan Government could improve the prospects for reconciliation between Angola and Zaire, as well as for achieving a peaceful settlement in Namibia. (Katangan rebels from Angola had invaded the Shaba Province of Zaire on May 11.)

June 26, 1978. President Carter told a news conference that his Administration had no current plans to “normalize” the U.S. relationship with Angola but there had been U.S. negotiations or consultations directly with Angolan officials ever since he came into office and that U.S. Deputy Ambassador to the United Nations Donald F. McHenry’s current visit to Angola was “part of a series of consultations.” In response to a question, the President also told reporters that he had “no knowledge” of a reported CIA plan to send weapons through a third country to the rebels in Angola. He declared that no “responsible person” in his Administration would have violated the Clark amendment and that he had no intention of sending weapons to Angola either directly or indirectly.

July 21, 1978. Angolan President Neto said that his government had “no reservations” about establishing diplomatic ties but that the United States would have to “take us as we are.” On

July 22, the Department of State said that the United States was pleased with Neto’s offer but concerned about the Cuban presence in Angola and declared that diplomatic relations could not be established so long as there existed the “problem of internal reconciliation among the various factions in Angola.”

March 26, 1979. The United States, the United Kingdom, and France abstained on UN Security Council Resolution 447 condemning South Africa for its attacks against Angola and for its use of Namibia as a springboard for those attacks, demanding that it cease such attacks immediately. It requested that UN member states extend all necessary assistance to the Angolans and all other front-line states to strengthen their defense capacities. The U.S. abstention was based on opposition to the resolution’s call for assistance to strengthen the defense capacities of the front-line states. On November 2, 1979, and June 27, 1980, the United States, the United Kingdom, and France again abstained on Security Council resolutions which repeated the major points of Resolution 447.

April 18, 1979. Assistant Secretary of State for African Affairs Richard M. Moose stated that although the United States had not recognized the Luanda government, it had found it possible to work constructively with the Angolans on “regional security problems.” He also said that Angola would have “a crucial role” to play in any Namibia settlement.

December 16, 1980. President Carter signed into law the FY 1981 foreign aid appropriations bill which contained an amendment—proposed by Senator Paul Tsongas of Massachusetts on June 17 and modified by the conference committee on November 19—revising the 1976 Clark amendment. The new amendment prohibited U.S. aid to any faction for military or paramilitary operations in Angola unless: (1) the President determined that such aid should be furnished “in the national security interests of the United States;” (2) the President submitted this determination to Congress along with a description of the aid recommended and the identity of its proposed recipients; and (3) Congress enacted a joint resolution approving the furnishing of such aid.

March 19, 1981. The Reagan Administration formally requested that Congress repeal the Clark amendment on the grounds that it involved “an unnecessary restriction” on the powers of the President.

April 17, 1981. Assistant Secretary of State for African Affairs Chester A. Crocker arrived in Angola. Crocker, who was on a 2-week, 12-nation tour of southern Africa aimed at reviving stalled efforts to achieve negotiated independence for Namibia, told the Angola Government that progress on Namibia was related to the withdrawal of Cuban troops from Angola—the first public linkage of the two issues.

May 19, 1981. The House Foreign Affairs Committee recommended (19–5 that Congress not repeal the Clark amendment and stated that repeal would play into the hands of the Soviet and Cubans by increasing Angola’s reliance on the Cubans for security needs. The foreign aid appropriations bill retaining the Clark amendment was signed into law on December 29.

August 29, 1981. Assistant Secretary Crocker stated that the U.S. Government recognized the “intimate relationship between the conflicts in Namibia and Angola” and was convinced that “a satisfactory outcome can only be based on parallel movement in both arenas.”

August 31, 1981. The United States vetoed a UN Security Council resolution supported by the other 13 Council members, which strongly condemned South Africa for its “unprovoked and persistent armed invasion” of Angola and for using Namibia as a springboard for such invasions. The U.S. representative explained that the United States had voted against the resolution because it placed “all the blame on South Africa for the escalation of the violence.”

December 8, 1981. UNITA leader Savimbi, on a private visit to Washington, met with Secretary of State Haig after a series of talks with other senior U.S. officials. The Secretary told Savimbi that the United States wished to see all foreign forces leave Angola, and Savimbi declared his commitment to a political solution to the civil war in Angola.

December 17, 1981. The United States cast the only vote against UN General Assembly Resolution 36/172 C adopted by a vote of 136 to 1, with 8 abstentions), which condemned South Africa's "unprovoked acts of aggression" against Angola and other independent African states, urged the Security Council to adopt effective measures (i.e., sanctions) against South Africa under Chapter VII of the UN Charter, and demanded that South Africa pay full compensation for the damages caused by its aggression.

January 15-16, 1982. Assistant Secretary Crocker met with Angolan Foreign Minister Paulo Jorge in Paris to discuss a recent "Western Five" proposal to achieve Namibian independence. On March 4, the two met again in Paris for further talks. (The "Western Five"—Canada, France, West Germany, the United Kingdom, and the United States—had been attempting to negotiate a Namibian settlement since April 1977.)

June 17, 1982. South African Prime Minister Pieter W. Botha declared that no agreement on Namibian independence was possible until Cuban troops were removed from Angola. On July 25, Angola rejected the proposed linkage between South African withdrawal from Namibia and Cuban withdrawal from Angola.

December 20, 1982. UN General Assembly Resolution 37/233-B was adopted by a vote of 129 to 0, with 17 abstentions (including the United States). The resolution reaffirmed Security Council Resolutions 385 and 435 as the only basis for a Namibian settlement and rejected U.S. and South African attempts to establish linkage between Namibian independence and extraneous issues such as the withdrawal of Cuban forces from Angola.

January 26, 1983. The United States and Angola began a new round of talks on Namibia.

February 16, 1983. A *de facto* cease-fire between South Africa and Angola went into effect while negotiations proceeded between the two countries. The Department of State welcomed this as "a constructive step toward a more comprehensive regional peace."

April 13-14, 1983. Angolan Interior Minister Manuel Alexandre Rodrigues met with top U.S. officials, including Secretary of State Shultz and Vice President Bush, in Washington to discuss Namibia and the presence of Cuban troops in Angola.

August 29, 1983. Following his return from a working visit to South Africa, Namibia, and Angola, UN Secretary General Javier Perez de Cuellar reported to the Security Council that South Africa's insistence on the removal of Cuban troops from Angola made it impossible to implement Resolution 435—the UN plan for the independence of Namibia.

October 28, 1983. The United States abstained on UN Security Council Resolution 539 which rejected South Africa's insistence on linking Namibian independence to withdrawal of Cuban troops from Angola.

December 6, 1983-January 8, 1984. South African forces launched a major offensive against SWAPO guerrilla bases, attacking targets more than 150 miles inside Angola.

December 15, 1983. South African Foreign Minister Roelf F. (Pik) Botha sent a letter to UN Secretary General Perez de Cuellar saying that South Africa was prepared to begin a disengagement of its troops from southern Angola for a month beginning January 31, 1984, in order to advance the possibility of a Namibian settlement. He said the offer was made "on the understanding that the Angolan Government... would not exploit the situation." The Department of State welcomed the Foreign Minister's offer. On December 30, President Dos Santos sent a letter to the Secretary General accepting the possibility of a truce between Angola and South Africa.

December 20, 1983. The United States abstained on UN Security Council Resolution 545 condemning South Africa's continued occupation of parts of southern Angola which "endangered international peace and security" and demanding its immediate and unconditional withdrawal. On January 6, 1984, the United States abstained on a similar resolution repeating the condemnation.

February 16, 1984. A U.S. delegation headed by Assistant Secretary Crocker met with delegations from

Angola and South Africa in Lusaka, Zambia, where the three delegations reached agreement on the disengagement of Angolan and South African forces in southern Angola (the Lusaka accord). At the request of South Africa and Angola, it was agreed that a small number of U.S. representatives would participate in the activities of the joint South African/Angolan commission established to monitor the disengagement process.

October 31-November 1, 1984. Assistant Secretary Crocker met with Foreign Minister Botha in Cape Verde to discuss Namibian independence and disengagement in southern Angola. At the request of the Angolan Government, Assistant Secretary Crocker transmitted an Angolan proposal containing specific suggestions for the withdrawal of South African troops from Angola, implementation of Resolution 435, a cease-fire between South Africa and SWAPO, withdrawal of Cuban troops once implementation was in progress, and an international agreement guaranteeing Namibia's independence and Angola's security and territorial integrity. Angola submitted this proposal to the United Nations on November 17. Crocker later called this "an important step forward" because Angola had accepted the principle that Namibian independence could only take place in the context of the withdrawal of Cuban troops from Angola.

March 18 and 21, 1985. Assistant Secretary Crocker presented to the Angolan and South African Governments a new U.S. compromise proposal for a Namibian settlement which included provisions drawn from the positions of both sides. On April 18, however, the South African Government announced its intention to unilaterally establish an interim administration in Namibia. The U.S. Government stated that it would not recognize the transfer of power to any such government.

May 21-29, 1985. Following Angolan interception of a South African commando team about to sabotage an oil installation partially owned by Gulf Oil Corporation, South Africa admitted that it had mounted "covert military reconnaissance forays" into northern Angola but denied giving orders to commit sabotage. The Department of State spokesman indicated that the United States took the "strongest exception" to the presence of South African armed units inside Angola and

was "deeply concerned" about the safety of U.S. citizens and property overseas.

June 14, 1985. The United States recalled Ambassador Herman Nickel to protest South Africa's June 14 attack on Botswana and its attempted sabotage of Angola's oil facilities in Cabinda on May 21.

June 20, 1985. The United States voted for UN Security Council Resolution 567 condemning South Africa's recent aggression against Angola and its use of Namibia as a springboard for its attacks and demanding its unconditional withdrawal from Angolan territory.

July 10, 1985. The House of Representatives voted 236 to 185 to repeal the 1976 Clark amendment. The Senate had voted 63 to 34 to repeal the ban on June 11. On August 8, President Reagan signed the repeal into law as Section 811 of the International Security and Development Cooperation Act of 1985.

July 13, 1985. The Angolan Government announced that it was suspending all diplomatic contacts with the United States in protest against the congressional vote repealing the Clark amendment. The Department of State said that the United States had no plans to aid the UNITA rebels or to relax its diplomatic efforts concerning Angola.

September 20, 1985. The United States voted for UN Security Council Resolution 571 condemning South Africa's September 16 incursion into Angolan territory and announcing the appointment of a UN Commission of Inquiry to investigate the damage in Angola resulting from this invasion. It abstained, however, on paragraph 5 which called on member states to strengthen the defense capabilities of the front-line states. On October 7, the United States voted for a similar resolution which repeated the condemnation.

November 22, 1985. President Reagan said in an interview that he favored covert aid to UNITA in preference to the overt economic and military assistance being advocated by some Members of Congress.

November 27-28, 1985. A U.S. delegation headed by Assistant Secretary Crocker met with Angolan representatives in Lusaka, Zambia, to discuss a regional settlement between South Africa and Angola leading to the withdrawal of Cuban troops from Angola and implementation of UN Security Council Resolution 435.

December 6, 1985. The UN Security Council unanimously adopted Resolution 577 strongly condemning South Africa for its aggression against Angola. In a separate paragraph, on which the United States abstained, UN member states were requested to extend all necessary assistance to Angola "to strengthen its defense capacity."

January 8-9, 1986. A U.S. delegation, headed by Assistant Secretary Crocker, met with President Dos Santos and senior officials in Luanda for further negotiations on implementing Resolution 435. On January 12-14, Assistant Secretary Crocker met with senior officials in South Africa to discuss a regional settlement.

January 30, 1986. UNITA leader Savimbi, who was on a private visit to Washington January 29-February 6, met with President Reagan at the White House. Afterward, an Administration official said that Savimbi told the President his goal was "a peaceful national reconciliation in Angola."

February 13, 1986. The United States and the United Kingdom abstained on UN Security Council Resolution 581 condemning South Africa for threatening aggression against the front-line states and asking UN members to "expand urgently all forms of assistance" to those states.

February 18, 1986. Assistant Secretary Crocker told the Senate Foreign Relations Committee that the decision had been made to provide covert military aid to UNITA in order to prevent the Angolan Government from achieving a "military solution." Crocker stressed, however, that the United States remained committed to a diplomatic solution to the Angolan conflict. The Angolan Government subsequently stated that the U.S. decision amounted to "a declaration of war."

March 4, 1986. The South African Government announced that it would implement the UN plan for the inde-

pendence of Namibia (Resolution 435) beginning on August 1, 1986, but made it clear that implementation depended upon the withdrawal of Cuban troops from Angola. The U.S. Government welcomed the announcement as "a significant and positive step." On March 8, the Angolan Government rejected the South African proposal.

March 6, 1986. Assistant Secretary Crocker met in Geneva with Vladilen M. Vasev, the Soviet Foreign Ministry official in charge of southern African affairs, to discuss a settlement of the regional problems in southern Africa.

March 13-14, 1986. Foreign Minister Botha met with U.S. Deputy Assistant Secretary of State for African Affairs Frank Wisner in Cape Town to discuss a regional settlement.

March 18, 1986. Angolan President Dos Santos sent a letter to Secretary General Perez de Cuellar urging him to take full responsibility for negotiations regarding Namibian independence and peace in southern Africa. Dos Santos wrote that the "deliberate and systematic support" of the United States for South Africa and its increasing military support for UNITA had "jeopardized its credibility as a mediator."

March 25, 1986. Department of State spokesman Charles Redman said that "American companies operating in Angola should be fully aware of the risks they run" and that the U.S. Government had asked these companies to consider U.S. interests, as well as their own, in making business decisions relating to Angola. He said that U.S. economic policy toward Angola was "to deny, pending an achievement of a negotiated settlement, all U.S. exports to Angola with a military use and to not support... Angola's ability to earn foreign currency and thus fund its war against UNITA."

June 18, 1986. The United States and the United Kingdom vetoed a UN Security Council resolution which condemned South African aggression against Angola, called for mandatory economic sanctions against South Africa, and asked UN members to provide military assistance to the Angolan Government.

August 11, 1986. A South African force crossed the Namibian border and attacked a Soviet-supported air base 50 miles inside Angola. The State Department declared that the United States could not condone any South African raid into Angola.

August 18, 1986. President Dos Santos declared that he would welcome a meeting with President Reagan, invited him to Angola, and expressed the wish that the two countries might establish diplomatic relations. On September 17, Angolan Foreign Minister Afonso Van Dunem called for a top-level meeting between U.S. and Angolan officials as a prelude to the establishment of diplomatic ties.

September 17, 1986. By a vote of 29 to 186, the House of Representatives rejected an amendment to the FY 1987 intelligence authorization bill that would have barred any further covert aid to UNITA unless it was first publicly debated and approved by both Houses of Congress.

April 7, 1987. After Assistant Secretary Crocker met with an Angolan delegation in Brazzaville, Congo, the two sides agreed to resume the U.S.-Angolan negotiations aimed at reaching regional settlement of the Angola-Namibia conflict which had been broken off by Angola in protest against the February 1986 U.S. decision to send aid to UNITA.

July 14-15, 1987. Assistant Secretary Crocker met with Angolan officials in Luanda to discuss a timetable for the withdrawal of Cuban troops from Angola and independence for Namibia. After returning to Washington, however, he said that the talks had been a waste of time."

September 7-8, 1987. Assistant Secretary Crocker visited Luanda for talks regarding Angola's August 5 proposal for accelerated implementation of UN Security Council Resolution 435 on Namibia and the establishment of lasting peace in southern Africa. The Department of State said Assistant Secretary Crocker hoped to "clarify certain ambiguities" in the proposal regarding the withdrawal of Cuban troops.

October 30, 1987. The United States abstained on a draft Security Council resolution calling for rapid im-

plementation of Resolution 435. U.S. representative Herbert Okun indicated that implementation could not be achieved without addressing the security concerns of both Angola and South Africa. South Africa said that the only remaining obstacle to implementation was the presence of Soviet and Cuban military personnel in Angola.

November 12, 1987. South Africa admitted that its troops had recently intervened in southern Angola to assist UNITA and clashed with Soviet and Cuban forces. Defense Minister Gen. Magnus Malan said that if South Africa had not intervened, UNITA would have been defeated, leading to eventual communist domination of southern Africa. UNITA leader Savimbi later said that U.S.-supplied weaponry had been decisive in warding off the offensive.

November 25, 1987. The UN Security Council adopted a resolution condemning South Africa's aggression in southern Angola. U.S. Ambassador Vernon Walters stated that the United States had voted for the resolution but declared that this did not address many important issues. He said that the fates of Namibia and Angola were "inextricably linked" and that the U.S. Government was seeking a settlement removing all foreign forces from the region.

December 23, 1987. The UN Security Council adopted a resolution condemning South Africa for its delay in pulling out of Angola. Foreign Minister Botha rejected the UN demand for a complete withdrawal, although he declared that a gradual South Africa Defense Force pullback was underway.

January 28-29, 1988. A new round of negotiations between a U.S. delegation headed by Assistant Secretary Crocker and Angolan representatives took place in Luanda. On February 1, the Department of State announced that Angola and Cuba had jointly agreed to a total withdrawal of Cuban troops in Angola as part of a still-unresolved overall southern Africa peace settlement.

March 6, 1988. Defense Minister Malan announced that South Africa was willing to make a direct deal with the Soviet Union to withdraw from Angola if the Soviet Government committed itself to a neutral government in that

country. On March 10, the Soviet Foreign Ministry rejected Malan's offer.

March 14, 1988. Assistant Secretary Crocker met with Foreign Minister Botha in Geneva to discuss Angola. The meeting came a day after Angola announced that it had presented the United States with a specific timetable for the total withdrawal of Cuban troops, if both the United States and South Africa ended their support of UNITA. After the meeting, Botha complained that the Angolan plan lacked specific "numbers, figures, and time schedules."

May 3-4, 1988. The first round of quadripartite talks on the Angola-Namibia conflict was held among the United States, South Africa, Angola, and Cuba in London. On May 13, followup talks between South Africa and Angola took place in Brazzaville, Congo.

June 1, 1988. During the Moscow summit, the United States and the Soviet Union announced their support for a September 29, 1988, target date for reaching agreement on the withdrawal of all foreign troops from Angola and the independence of Namibia.

July 20, 1988. South Africa, Angola, and Cuba announced ratification of an agreement on principles, which called for "the staged and total withdrawal of Cuban troops" from Angola and stated that Resolution 435 was "indispensable to a comprehensive settlement." The agreement evolved during a series of quadripartite talks, beginning in London May 3-4 and continuing in Cairo June 24-25 and in New York July 11-13. Assistant Secretary Crocker, who had served as a mediator, called the agreement "a set of guidelines" but warned that "hard bargaining" lay ahead.

August 2-5, 1988. A new round of Namibia-Angola peace talks chaired by Assistant Secretary Crocker took place in Geneva.

August 8, 1988. The parties to the Geneva talks issued a joint communique announcing an immediate cease-fire and stating that they had agreed to recommend to the United Nations implementation of Resolution 435 beginning on November 1, with Namibian elections to be held 7 months later. South Africa

would begin to withdraw its troops from southern Angola on August 10 and complete withdrawal by September 1. Angola and Cuba agreed to subscribe to an accord including a timetable for "the staged and total withdrawal of Cuban troops from Angola" to be negotiated by September 1.

August 9, 1988. Assistant Secretary Crocker said that "the cooperation of the Soviet Union" had been an important factor in making the Geneva agreement possible and that Soviet officials had met with U.S. representatives before and after the negotiating sessions. He also said that two unresolved questions could still hamper and postpone a final settlement: the schedule for withdrawal of Cuban troops from Angola and the refusal of the Angolan Government to talk to UNITA. In addition, Crocker declared that the United States would not end weapons shipments to UNITA until the Soviet Union ended its deliveries of military supplies to the Angolan Government, commenting that "we are not going to unilaterally disengage."

August 11, 1988. The Soviet Union urged the Angolan Government to "start a dialogue" with UNITA and warned that in the absence of such negotiations, the quadripartite agreement reached in Geneva would be "placed in jeopardy."

August 13, 1988. Following the House of Representatives' vote for a new sanctions bill ending all U.S. investment and banning almost all trade with South Africa, Foreign Minister Botha warned that the new sanctions would present problems for implementation of the Namibia-Angola peace plan.

August 15-16, 1988. As a followup to the Geneva agreement, military experts from Angola, Cuba, and South Africa met at Ruacana on the Angola-Namibia border to establish a Joint Military Monitoring Commission (which would include Namibian representatives) to guarantee the cessation of hostilities and to smooth the way for implementation of Resolution 435.

August 24-26, 1988. During a fifth round of quadripartite talks in Brazzaville, the United States worked with the parties to narrow differences on a timetable for total withdrawal of Cuban

troops from Angola. Following the talks, President Dos Santos stated that he would not be pressured into a power-sharing agreement with UNITA.

August 30, 1988. The final contingent of South African troops withdrew from southern Angola into Namibia—2 days before the September 1 deadline set by the Geneva ceasefire agreement. South African officials announced that SWAPO had agreed to stay 120 miles north of the Namibian border and to begin observing a ceasefire.

September 2, 1988. The Department of State said that Cuba had sent substantial amounts of military aid to Angola in recent weeks but denied reports that Cuba had recently increased its troop strength to 60,000.

September 3, 1988. UNITA leader Savimbi told a press conference that he had decided to disassociate UNITA from the quadripartite peace talks and warned that those talks were bound to fail if they continued to exclude UNITA. He said that UNITA would not abandon the areas under its control along the Angolan-Namibian border. Savimbi stated that the U.S. Government and people fully supported UNITA.

September 7-8, 1988. Following the sixth round of quadripartite talks in Brazzaville, the four delegations issued a joint communique reconfirming their commitment to the November 1 target date for implementing Resolution 435. The communique noted that the agreements reached in Geneva in August had been implemented: South African forces had withdrawn from Angola before the September 1 deadline and the Joint Military Monitoring Commission was functioning satisfactorily. It indicated that the Cuban and Angolan Governments would reach agreement on a timetable for the withdrawal of Cuban troops from Angola within the framework of the general negotiations.

September 22-23, 1988. UN Secretary General Perez de Cuellar met in South Africa with high-ranking South African officials and Namibian political leaders to discuss remaining obstacles to Namibian independence—including the question of who would pay the estimated \$700 million needed to put the independence plan into effect. After-

ward, the Secretary General told a joint press conference that he had assured President Botha that the United Nations would act impartially once implementation of Resolution 435 began. Botha said that he had approved plans to send a UN technical team to Namibia to prepare the way for the UN Transitional Assistance Group (UNTAG) which was to oversee Namibia's transition to independence.

September 24, 1988. Following talks with Secretary General Perez de Cuellar in Luanda, Angolan President Dos Santos said that he had reaffirmed the Angolan Government's willingness to offer its full cooperation with the UN mission in Namibia.

SWAPO announced that it had rejected a proposal by the Namibian provisional government calling for a national reconciliation conference of all Namibian parties in preparation for the implementation of Resolution 435.

September 26-29, 1988. The seventh round of quadripartite peace talks in Brazzaville adjourned without reaching agreement on a timetable, but the negotiators expressed "their firm intention to solve the remaining problems after consultation with their respective governments." They also reaffirmed their earlier commitment to the November 1 target date for implementing Resolution 435.

October 6, 1988. Angolan President Dos Santos said that his government was prepared to talk to UNITA once agreement on such issues as the presence of South African troops and Namibian independence was reached and that he would "not exclude" granting cabinet posts in a government of reconciliation to UNITA members—with the exception of Dr. Savimbi, whom he described as "a special case."

October 7-9, 1988. Assistant Secretary Crocker presided over informal talks among high-ranking Angolan, Cuban, and South African officials attending the 43d UN General Assembly. U.S. officials said the purpose of these talks was to discuss new proposals aimed at settling differences regarding the timetable for Cuban troop withdrawal and implementation of Resolution 435 before the next round of formal negotiations in Brazzaville.

October 17, 1988. UNITA leader Savimbi told the press that he had "no intention" of moving his bases and supply dumps into northern Angola and that he would "not give up the infrastructure it has taken us 13 years to develop and move north to an uncertain future." Savimbi asserted that he was confident that UNITA could hold its own militarily against Angolan and Cuban forces but also said that there was no question of asking South Africa for assistance even if those forces broke through UNITA's lines.

November 15, 1988. After a 5-day round of quadripartite peace talks chaired by Assistant Secretary Crocker in Geneva, the South African, Angolan, and Cuban delegations announced that they had reached agreement in principle on a framework for the phased withdrawal of Cuban troops from Angola and U.N.-supervised elections in Namibia which was to be submitted to their governments for approval. If all three governments accepted the proposal, Crocker was to arrange a final round of quadripartite talks in Brazzaville to achieve and sign a formal agreement. U.S. officials said they expected that an agreement would provide a major impetus to the beginning of talks between the Angolan Government and UNITA.

November 18, 1988. The Cuban and Angolan Governments announced that they would accept the U.S.-mediated plan for the phased withdrawal of Cuban troops from Angola reached in Geneva on November 15.

November 19, 1988. UNITA leader Savimbi told a press conference that his forces had reached a tacit cease-fire agreement with Cuban forces in Angola and would not harass the departing Cuban troops as they withdrew. Savimbi also said that UNITA would continue its civil war against Angolan Government troops until all the Cubans were gone and national reconciliation with the government had been achieved.

November 22, 1988. Saying that the hard nut that had to be cracked "has been cracked," Foreign Minister Botha announced that the South African Government had advised the

United States of its acceptance of the U.S.-mediated agreement in principle reached in Geneva on November 15. Botha warned, however, that verification and monitoring of the Cuban withdrawal would be crucial to the peace process and noted that the parties still had to work out verification procedures. He also stressed that there could be no lasting peace in the region until there was national reconciliation inside Angola. Botha said, however, that UNITA leader Savimbi had told him that South African acceptance of the November 15 agreement would contribute to peace and stability in the region so long as the Cuban withdrawal from Angola was properly monitored. Department of State spokesman Redman welcomed the South African announcement and said that officials from the four countries would meet soon in Brazzaville to work out the final details of what would be "a complex interlocking set" of agreements.

December 1-3, 1988. The 10th round of quadripartite peace talks, which had been expected to conclude with the signing of a protocol outlining the terms of the agreement reached in Geneva on November 15, ended prematurely when the South African delegation abruptly left Brazzaville on December 3. Saying that his delegation needed to return to consult President Botha, Foreign Minister Botha declared

that South Africa could not sign a document that was "not specific" regarding verification of Cuban troop withdrawal. He added, however, that he still expected a protocol to be signed during December—once the last few issues were resolved.

December 13, 1988. In Brazzaville, South Africa, Angola, and Cuba signed an agreement (the Brazzaville protocol) committing themselves to the phased withdrawal of 50,000 Cuban troops from Angola over 27 months and the independence of Namibia by November 1, 1989. The signatories agreed to recommend to the UN Secretary General that April 1, 1989, be established as the date for implementation of Resolution 435 and to meet in New York on December 22 for signature of a formal tripartite treaty and a bilateral Angolan-Cuban agreement governing Cuban withdrawal. By that date, Angola and Cuba were to have reached agreement with the UN Secretary General on verification of the withdrawal. The parties to the Brazzaville protocol also agreed to establish a joint commission (which would include U.S. and Soviet observers) to serve as a forum for discussion and resolution of issues regarding the interpretation and implementation of the tripartite agreement.

Antarctic Mineral Resource Convention Signed

DEPARTMENT STATEMENT, DEC. 2, 1988¹

The United States signed the convention on the regulation of Antarctic mineral resource activities on November 30. The convention was signed in Wellington, New Zealand, by the U.S. Ambassador to New Zealand, Paul M. Cleveland.

The agreement was concluded following 6 years of negotiation among the parties to the Antarctic Treaty. It is an important environmental and resource management treaty which establishes the legal obligations and institutional mechanisms necessary for considering and regulating commercial mineral resource activities in

the Antarctic, should interest in them emerge in the future.

The convention is designed to protect the environment of Antarctica and create a stable and predictable framework for dealing with possible mineral resource activities there, including provision of security of investment for any permitted activities. It represents an important contribution to the Antarctic Treaty system which has maintained Antarctica as a zone of peace, free of military activity and reserved for peaceful international cooperation, for the past three decades.

¹Read to news correspondents by Department deputy spokesman Phyllis Oakley. ■

The signatories hailed the protocol as heralding a "new era" of peace in southern Africa. U.S. mediator, Assistant Secretary Crocker, said that U.S. and Soviet cooperation during the negotiations leading to the agreement had been "a case study of superpower effort to support the resolution of regional conflicts." Soviet Deputy Foreign Minister Anatoly Adamishin, who had attended a number of the talks, praised the "brilliant role" played by Crocker in mediating the agreement and recognized "the reasonable position adopted by South Africa."

December 20, 1988. The UN Security Council unanimously approved the creation of a 70-man unarmed peacekeeping force—the UN Angola Verification Mission (UNAVEM)—to monitor the withdrawal of 50,000 Cuban troops from Angola.

December 21, 1988. Saying that there could be "no military solution," Assistant Secretary Crocker said that the United States would continue its military aid to UNITA and reject full diplomatic relations with the Angolan Government until it made peace with its opponents.

December 22, 1988. At a signing ceremony at the United Nations, presided over by Secretary Shultz, representatives of Angola, Cuba, and South Africa signed an accord providing for implementation of Resolution 435 on Namibian independence beginning on April 1, 1989, and for the withdrawal of all Cuban troops from Angola by July 1, 1991. The three signatories also pledged to "respect the principle of non-interference in the internal affairs of the states of southwestern Africa" and promised not to allow their territories to be used by "any state, organization, or person in connection with any acts of war, aggression, or violence" against other countries in the region. Angola and Cuba then signed a second accord providing a detailed timetable for the withdrawal of the 50,000 Cuban troops in Angola. ■

Nuclear Testing Talks Conclude Round Three

**WHITE HOUSE STATEMENT,
DEC. 15, 1988¹**

The United States and the Soviet Union today concluded the third round of nuclear testing talks in Geneva. This round, which began on August 29, has been a successful one, highlighted by the completion of the joint verification experiment (JVE) and by significant progress toward the completion of effective verification protocols for the Peaceful Nuclear Explosions Treaty (PNET) and the Threshold Test Ban Treaty (TTBT).

These talks are part of step-by-step negotiations between the United States and the Soviet Union on the subject of nuclear testing. The first priority of the talks is agreement on effective verification measures for two existing treaties, the PNET and TTBT. Neither treaty has been ratified because they were not verifiable in their original form. During this round, the delegations have substantially finished work on the verification protocol for the PNET. They have also made progress on the verification protocol for the TTBT.

Another noteworthy event during this round was the JVE. Under the terms of a U.S.-Soviet agreement negotiated in the previous round of the nuclear testing talks and signed at the Moscow summit, underground nuclear explosions were conducted at the U.S. test site in Nevada in August and at the Soviet test site at Semipalatinsk in September, with observers from both sides present. The purpose of the JVE was to allow each side to demonstrate its preferred verification method for the TTBT and PNET. The results of the test were discussed during this round. We believe the experiments demonstrated the effectiveness and non-intrusive nature of CORRTEx [continuous reflectometry for radius vs. time experiment], our preferred method of on-site measurement.

Once the verification provisions for the PNET and TTBT are finalized, the treaties will be submitted to the Senate for advice and consent to ratification. Following ratification, the United States will immediately propose that we and the Soviet Union enter into negotiations on ways to implement a step-by-step parallel program—in association with a program to reduce and

ultimately eliminate all nuclear arms—of limiting and ultimately ending nuclear testing.

For the past four decades, a strong nuclear deterrent has ensured the security of the United States and our allies. As long as we must rely on nuclear weapons, we must continue to test to ensure their safety, security, reliability, effectiveness, and survivability.

In this context, the United States seeks effective and verifiable agreements with the Soviet Union on nuclear testing limitations that would strengthen security for all nations. The substantial progress which has been made in this round of the nuclear testing talks is a positive step which reflects the success of the Administration's practical and measured approach to nuclear testing.

¹Text from Weekly Compilation of Presidential Documents of Dec. 19, 1988. ■

First Anniversary of INF Treaty

**WHITE HOUSE STATEMENT,
DEC. 8, 1988¹**

One year ago today, on December 8, 1987, in the East Room of the White House, President Reagan and General Secretary Mikhail Gorbachev signed a historic document, the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles, commonly referred to as the INF Treaty. Under this agreement, for the first time in history, an entire class of U.S. and Soviet nuclear missiles will be eliminated, based on the zero-option proposal first put forward by President Reagan in 1981. This achievement is a direct consequence of the President's steadfast commitment to real arms reductions that strengthen U.S. and allied security rather than merely limiting increases as in previous treaties. It is also the result of allied solidarity in responding to the threat posed by Soviet deployment of SS-20 missiles.

The INF Treaty provides for the elimination of all U.S. and Soviet missiles with ranges of 500–5,500 kilometers (about 300–3,400 miles), along with their launchers, support equipment, and support structures, by June 1, 1991, 3 years after the treaty entered into force. The treaty also bans all production and flight testing of these missiles immediately upon entry into force. Once the missiles are eliminated, the treaty prohibits either party from possessing any INF missiles, launchers, support equipment, or support structures.

From the beginning of the INF negotiations, President Reagan emphasized that it would be better to have no treaty rather than one that could not be effectively verified. The INF Treaty contains the most stringent verification provisions in the history of arms control, including extensive data exchanges, on-site inspections, resident inspectors at a key missile facility in each country, and prohibitions on interference with national technical means of verification.

The elimination of U.S. and Soviet INF missile systems is well underway—the Soviets have eliminated about 33 missiles, while the United States has eliminated about 108, in the presence of inspectors from the other side, since eliminations began in August of this year. In addition to monitoring the destruction of missiles, U.S. and Soviet inspectors have also conducted inspections at 130 Soviet facilities and 31 U.S. INF facilities, and each side has established a continuous monitoring presence at a key missile facility in the other's country.

The signing of the INF Treaty last December was a remarkable success for U.S. foreign policy and for the NATO alliance as a whole, a success made possible by allied unity and perseverance. NATO demonstrated that it has the political will to make and stand by the tough decisions necessary to ensure its security. Our common objectives were achieved: the elimination of both longer range and shorter range Soviet INF missiles—limitations that are global in order to prevent transfer of the INF threat from one region to another, and agreement that INF limits apply only to the forces of the United States and the U.S.S.R. The treaty also affirmed the principle of asymmetrical reductions to achieve equal U.S. and Soviet levels, an important precedent for future arms negotiations.

Since the signing of the INF Treaty, the United States has continued its efforts to achieve a safer world, including through negotiations for deep, equitable, and verifiable reductions in strategic arsenals; a stable balance in conventional forces in Europe; an effective

tively verifiable global ban on chemical weapons; and effective and verifiable agreements on nuclear testing limitations. The signing of the INF Treaty 1 year ago today was a good first step.

¹Text from Weekly Compilation of Presidential Documents of Dec. 12, 1988. ■

U.S., China Celebrate Decade of Diplomatic Relations

SECRETARY'S TOAST,
DEC. 15, 1988¹

On this chilly December night, it is warming to see gathered here so many of the eminent people whose labors helped to open the way to full relations between the United States and China a decade ago. This evening is a tribute to far-sighted policies pursued over two decades by leaders of the United States and the People's Republic of China. Our leaders understood that two great nations bordering on the Pacific could not remain in confrontation without grave consequences for the interests of their countries and peoples and for global security.

The groundbreaking Shanghai communique of 1972 anticipated a time of "important changes and great upheavals" in global affairs. We have now witnessed more than 16 years of profound changes in the international environment. The process of normalizing Sino-American relations helped to launch a worldwide trend of greater reliance on political means to resolve serious international differences. And today, from Afghanistan to Angola, we see a quickening of efforts to move away from force of arms toward the negotiated settlement of disputes. Around the world, in country after country, we see nations decentralizing their economies, opening up to international commerce, and increasing the role of market forces. The reforms in China embarked upon 10 years ago under Deng Xiaoping's farsighted leadership have fostered a decade of impressive domestic growth and a remarkable expansion of U.S.-China trade. Thus, in the economic sphere as well, China has been a pace-setter.

Ten years ago, in the Joint Communique on the Establishment of Diplomatic Relations [Between the United States of America and the People's Republic of China], our leaders asserted that "normalization of [Sino-American] relations is not only in the interest of the Chinese and American peoples but also contributes to the cause of peace in Asia and the world." Tonight we can truly say that these words were more than diplomatic politesse, more than hopes beyond realization. Their promise has been confirmed by practical achievements.

The Reagan Administration—building on the efforts of the three Administrations preceding it—has attached high priority to strengthening friendly and productive relations with the People's Republic of China. Under President Reagan, we have vastly expanded the scope of cooperation between our nations and peoples.

Ten years ago, cultural and economic exchanges were a fraction of what they are today. Trade has expanded tenfold. U.S.-China joint ventures have proliferated. Where once there were no Chinese scholars and researchers studying in the United States, now there are over 30,000. We have broadened defense collaboration to the benefit of our mutual security. We are now developing exciting prospects for cooperation in space—as by working together to launch U.S.-made satellites on Chinese rockets. And we are opening wider the door to people-to-people communication with the planned dispatch to China of Peace Corps volunteers. Thus the fabric of Sino-American relations in the 1980s has become ever more richly and closely woven.

During my tenure as Secretary of State, I traveled to China four times. On each visit, I deepened my appreciation of the potential contribution our bilateral ties can make to enhancing global peace and stability, even when we find it necessary to address frankly remaining areas of difference. Our continuing dialogue, and the improved mutual understanding that has resulted from these regular exchanges, has helped us make progress toward restoring peace in troubled areas such as Afghanistan and Cambodia.

I am heartened as I contemplate the future of Sino-American ties. Our relationship has a solid foundation in the three joint communiques. Ambassador Han, I know you were present when the Shanghai communique was issued in 1972. In that historic document, the U.S. side acknowledged that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is part of China. Our policy will remain firmly based on the principle that there is but one China, just as we will continue to reaffirm our interest in a peaceful settlement of the Taiwan question by the Chinese themselves.

We attach particular significance to the joint communique of August 17, 1982—concluded during this Administration—in which both sides reaffirmed the fundamental principles that have guided our relations. As President Reagan stated when the communique was issued, we value this document as it will promote the further development of friendly relations between the governments and peoples of the United States and China and contribute to the further reduction of tension in the Asia-Pacific region. The United States takes seriously its commitments in this communique, which has played a positive role in strengthening stability in East Asia.

Over the 21 months since I spoke in Shanghai to mark the 15th anniversary of the Shanghai communique, we have seen a blossoming of private contacts, travel, and indirect economic relations across the Taiwan Strait. Let there be no mistake about the U.S. attitude toward these developments. We welcome them as consistent with our interest in relaxing tensions and improving mutual understanding. As I made clear in Shanghai, our steadfast policy seeks to foster an environment in which this peaceful process can continue to evolve, free of outside interference.

The Chinese and American peoples are both hard working and practical. Our two governments have done much to reflect these traits in the way we have worked to resolve differences and expand cooperation. This is a valuable legacy that will guide the future leaders of our two countries as they seek to meet the challenges of the future. I have no doubt that President-elect Bush, who knows China well from his service in the 1970s as Chief of the U.S. Liaison Office in Beijing, will find new ways to advance our relationship.

In the years ahead, we see many opportunities for the United States and China to work together for peace, to ensure that regional conflicts do not dangerously escalate, and to foster the expansion of the global trading system.

- Unresolved disputes on the Korean Peninsula, in Indochina, and in the Middle East require our consultation and cooperation to promote the political resolution of dangerous threats to stability.

- China and the United States, joining together with all nations, must address the challenge posed by the proliferation of advanced weaponry—especially chemical and biological agents and high-tech delivery systems.

- On the trade front, China and the United States must strive to keep the international trading system as open as possible, in order to ensure our growth and competitiveness in the years ahead.

One of the satisfactions I will take with me from my 6 years as Secretary of State will be the knowledge that, through our mutual efforts, relations between the United States and China have strengthened and matured. My interest in further consolidating the friendly ties between our two great peoples, and in following the accomplishments of old friends such as Ambassador Han who have helped to advance this historic process of normalization, will remain strong.

In closing, let me convey to you, Mr. Ambassador, and to China's leaders, the warm personal greetings of President Reagan and the good wishes of the American people. In that spirit, I now ask all present here to join me in a toast: To the health of Chairman Deng Xiaoping, President Yang Shangkun, General Secretary Zhao Ziyang, and Premier Li Peng; to the health of old friends Vice Premier Wu Xueqian and Foreign Minister Qian Qichen; to the bright future ahead for friendship and cooperation between our two countries; and to all those friends gathered here today who have worked so hard to make our relationship normal, constructive, and enduring. *Ganbei!*

¹Toast at a dinner Secretary Shultz hosted for China's Ambassador to the United States Han Xu (press release 258 Dec. 20, 1988). ■

U.S., China Initial Agreement on Communications Satellites

DEPARTMENT STATEMENT,
DEC. 19, 1988¹

The United States and the People's Republic of China (P.R.C.) initialed an agreement Saturday, December 17, on international trade in commercial launch services. The agreement was negotiated by the Office of the U.S. Trade Representative. This is the last of three agreements required by an Administration decision taken September 9 on the issuance of export licenses for the Chinese launch of three U.S.-made communications satellites under China's contracts with AUSSAT and AsiaSat.

Also on Saturday, the United States and China signed two earlier agreements—on technology safeguards and on Chinese indemnification for po-

tential U.S. Government liability—which had been initialed October 21 in Beijing.

Under the latest agreement, the P.R.C. undertook to adhere to market economy practices regarding government support, pricing, insurance, and the avoidance of government inducements. The P.R.C. also agreed to launch no more than nine communications satellites for international customers during the next 6 years and to distribute launch commitments proportionately during the agreement.

The United States and China both agreed to consult annually and exchange information regarding obligations in the agreement and developments in the international market for commercial launch services.

Secretary Meets With EC Ministers

The trade agreement will enter into force as soon as the United States issues a satellite export license for China. It expires on December 31, 1994, unless extended or superseded by a multilateral agreement.

We are not yet in a position to issue the export licenses for the three U.S.-made communications satellites covered by the AsiaSat and AUSSAT contracts, although reaching agreement on the last of the three areas was early a major step. We must still review and formally approve the trade agreement. We also must await OCOM [Coordinating Committee for Multilateral Export Controls] approval of the satellite exports.

We obviously are very pleased with having reached agreement with China on the last area required for issuing these licenses. This agreement, along with the other two already signed, ensures that U.S. national security interests will be fully safeguarded. At the same time, the agreement allows the Chinese to enter the international commercial launch market in accordance with market principles and in a way that will not materially impair the growth and effective functioning of that market.

Because of the need to protect our national security interests, U.S. policy with respect to Chinese launches of satellites embodying U.S. or Western technology remains one of case-by-case view.

¹Made available to news correspondents by Department deputy spokesman Jyllis Oakley. ■

Secretary Shultz attended the ministerial meeting of the European Communities (EC) Commission in Brussels on December 9, 1988. Following is the joint news conference he had with EC Commission President Jacques Delors at the conclusion of that meeting.¹

President Delors. I open this press conference following on the ministerial meeting between the United States and the European Economic Community. I would like to welcome you all. In particular I'd like to welcome Secretary of State, Mr. Shultz, and his team, and I give you the floor immediately, Mr. Secretary of State.

Secretary Shultz. It's been a privilege once again for me to meet with my friend Jacques Delors. I think this is the seventh time that I've come here to the commission, and I'd like to make a couple of remarks about the event and the particulars.

First of all, I think there is a certain symbolism, that has real meaning, to the fact, at this time of the year, there is a meeting in NATO and then there is a meeting with the European [Communities] Commission. It is as though there are two sides to the same coin. We think about our relationship in terms of the security of our freedom, and we know it depends on our defense capabilities on the one hand and has strong relationships to our prosperity and general well-being on the other. This meeting symbolizes that fact.

Second, I just again call attention to the importance of this relationship. I do so recognizing there are lots of issues and we fight about them and argue about them and bargain about them and so on all year long. But in the broad perspective of it, I want to just once again call your attention to the trade figures, the investment figures.

Back in 1985 the trade was huge—it was \$121 billion, two-way trade—but in 1986 it was even larger—\$130 billion—and in 1987, larger still—\$145 billion. Our estimate is in 1988 it will be \$166 billion, two-way trade. That is a huge relationship.

When it comes to investment, in the next to most recent year we have, it was \$225 billion, and in the most recent year, even larger, \$280 billion—a little bit more EC investment in the United States than the other way around but very substantial and reasonably equal in both cases.

This is a tremendous relationship of great importance to both the United States and Europe. I think it's interesting to place these two meetings back-to-back from what they suggest about the interplay of security and prosperity.

Finally, I'd like to say a word of esteem for Mr. Jacques Delors, whom I think I first had contact with when you were Finance Minister. Both of us are graduates of that occupation. It's a good training ground, and you can't help but return to it all the time. I think he has given brilliant leadership here at the commission, and it has been a great pleasure for me to associate with you and to have these chances to meet and talk with you and your colleagues.

President Delors. I'm sure you will remember that in December 1987, after the European Council in Copenhagen, the heads of state and government, since they were unable to reach an agreement, declared to you—the journalists, that is—that the European Council had not ended and that it would continue in Brussels in February 1988. And there the 12 did reach an agreement.

I see a certain analogy with what has happened in Montreal, where the nations participating in the mid-term review have said that the mid-term review has not ended. It will continue until the end of April with the mission of Mr. Duncan. Therefore, since the mid-term review is continuing, I have no intention of answering any questions at all on that subject, and I fix a rendezvous with you in May to talk about this.

As for the rest, I'd like to say that we have followed our well-established rules and held an exchange of views on the world economic and financial situation, on progress achieved, and the reasons for optimism. And, as far as that is concerned, we have quite a different situation from last year. We also talked about the problems of indebtedness, the different situations in the United States and in the European Community. Now this is not purely academic. It is, in fact, something that helps better understanding between us and is also something that is essential to our work, which is why I hope that these annual meetings will continue.

As I said at our working session, I'd like to say the style and success of this meeting owe a lot to George Shultz. We're sorry to see him leaving

his post, although of course we have to say, "The king is dead, long live the king," as one usually says. But, nonetheless, we do wish him the greatest success in his future activities, and I'm sure for my part he will continue to play an important role in the great debates of the American democracy on political matters and international affairs.

Q. You just pointed out about the flourishing state of the two-way trade between the EEC and the United States—an estimated amount in 1988 of \$166 billion dollars. Now there seems to be a little difficulty between the two parts with regard to what is being called the "war of the hormones," which is—as you are well aware—a conflict, a trade conflict, regarding about \$150 million, which is one-thousandth of the total amount.

Do you think that, in view of the relative size of the matter, a compromise solution really cannot be reached? And secondly, is it at all possible that the United States cannot accept the European view that this is a matter not of trade but of health, the same as the Europeans accepted when the United States introduced limits on car pollution?

Secretary Shultz. I think you're right. The volume is not that large proportionately, but it's large to the people involved, and obviously we want to work out an acceptable solution if we can. It hasn't been possible to do it. If you set up a standard that is strictly health, then I think that what the United States wants to send is very acceptable. There is no health problem involved, as we see it, so that standard looks very good to us. But, of course, I have to acknowledge that others have a different view of the matter.

Q. Don't you think that in view of the size of the disagreement, a solution cannot be found?

Secretary Shultz. Disagreements have to be struggled at in their own terms. Of course, people put them in their perspective, but there is a difference, and we think that we are right. If you watch over a period of time, I'll bet you'll find a lot of what seems to be objectionable being used in Europe. We don't think there is a health problem in the way they're used in the United States.

Q. I think that in the bilateral meeting you talked a lot about the development of East-West relationships. Could you say something about that?

Secretary Shultz. The fact that we have an interest in exchanging views on East-West relations is once again a way of underscoring the relationship between security and economic matters. I gave a little report on our view of these relationships and particularly the recent events.

Today, as in the past, we've had some discussion, and the President gave his view and, to a certain extent, the management of economic relationships—not only with the Soviet Union but with the countries of Eastern Europe—is something where you see this interplay very clearly. We deliberately tried to exchange views and appraisals and what each is going to do. I think it's a very worthwhile exercise. It's the way you coordinate your policy.

Q. This is a question on a subject where the United States and EC have not always been on the sides of the same coin: the Middle East. You said this morning you were surprised by the Israeli raid on the pro-Syrian Palestinians in Beirut. Don't you feel that refusing Arafat as a person to whom to talk, you, in a way, encourage the Israelis to find another person to talk with arms, a small group of extremists?

Secretary Shultz. No, I don't. I don't think there is any relationship at all between those two matters. Of course, we are working hard always to find ways to talk to Palestinians. As far as the efforts toward Middle East peace are concerned, they must include Palestinians all the way through. I have talked to many Palestinians and sought such meetings. We do have a very simple set of requirements, views about what we think the PLO [Palestine Liberation Organization] should step up to, after which we are prepared for a substantive dialogue with the PLO as such, as the representative of the Palestinians. What we have in mind is very well known to the PLO, and I hope they will see their way clear to doing that. But, so far as I know, they haven't.

Q. Notwithstanding Mr. Delors' reticence on this point and knowing you have never refused to answer any question in 6½ years, can I ask you to tell us whether the Montreal break-

down in your view is a mere technical hitch—a hiccup—in the process that will, in a few months, result in agreement, or whether it has got a more serious content? Secondly, if I might ask to Mr. Delors: Did you speak to Mr. Shultz about the kind of concerns over U.S. conduct of its dollar policy which you expressed so eloquently to the European Parliament last year?

Secretary Shultz. I think President Delors described the situation very well in pointing out this effort in Montreal has made progress in some respects. I think in something like 11 of the 15 issues that were under review, there has been a satisfactory outcome. There will be continued effort on the others; the problem of agriculture is a deep and important and difficult problem.

I might say, in the history of these trade negotiations—and I participated in them, I led the U.S. delegation to Tokyo at the start of the Tokyo Round and have worked on these quite a lot—this idea of a mid-term review, I think, is something unique. It is an effort to push things along. I think it has probably succeeded in doing that. Yet there are some great problems. There is no doubt about that, and they will need a lot of work.

President Delors. My eloquence has not diminished after a year. A year ago, just after the stock market crash, I had feared that the dollar would continue to decline, and it did not. I had occasion to speak to the heads of states and governments in Rhodes and to answer an ironic question put by one or two heads of government, to the effect that the economists had made a mistake after the stock crash. I explained quite serenely to them, as I did again today, that if the stock market crash had not had negative effects on the developments in the world economy, that was essentially due to two reasons: first, that the stability of the dollar has been achieved thanks to fairly positive cooperation among the major industrialized nations, and I even mentioned the active role played by the Federal Reserve Board.

The second reason was that after the stock market crash, there had been no repetition of the errors committed in 1929. You remember that then, restrictions had been placed on monetary possibilities and on liquidity, and the financial markets had been prevented from carrying out their adjustment without trauma. This time the gover-

nors of the central banks were wise enough to supply the market with enough liquidity so that this adaptation should take place. So you see, there has been full consistency between what I feared a year ago and what, very fortunately, has not happened by today.

This allowed me at the same time before the heads of states and governments to defend the social group of economists as such, as a body.

Q. With two questions just to explore your thesis about the intertwining between security and economics, and they are, basically: What is your view of the European Community's defense ambitions, both in the procurement and policy side? Do you, for instance, find it helpful or divisive if the Community were to stick to an earlier indication that it would extend its single market into defense procurement? Do you find it generally helpful or divisive in the alliance when European governments begin to talk not only generally about East-West issues but also about arms control issues?

Secretary Shultz. The question of exchange of defense goods and services among members of the alliance is of critical importance. It's critical that it be unimpeded so that, in the interest of defending our freedom, we make the best possible use of our resources. Therefore, without in any way questioning or having anything to say about the competence of the European Commission, it is my view that there shouldn't be, for instance, duties placed on these matters that are going to our common defense. I find that when I put that point, that there is not any disagreement with it.

Now as far as discussions of arms control issues—or any other defense issues—by various people in Europe, of course they talk about them and we talk about them. Then we talk about them together. We don't have any problems with it. We don't want to see within the alliance—which is an alliance of 16 countries—a caucus of some sort that makes it difficult to break into the discussion. But that does not seem to be taking place. We are, for example, most recently working our way through developing a common position on what we will propose on conventional armaments when that new negotiation starts. I think it's a very creative and strong position, and it's done with quite a lot of enthusiasm on all parts.

President Delors. I wanted to say to you that the extension of the rules of the single market to cover defense goods and services must in no way undermine the two priority objectives that we have and which are: first, to ensure as best as possible the defense of the West in the context of the Atlantic alliance; and, secondly, to make it possible to bring about the best possible financial allocation of resources.

Q. European agricultural policy is in accordance with the rules of GATT [General Agreement on Tariffs and Trade]. My question: Will the Government of the United States go so far as to contest this principle?

Secretary Shultz. We are in a broad examination in the Uruguay Round of agricultural policies and, I might say, this is responsive to the statements made by the heads of state and the European Commission in Tokyo where we met and discussed this. Again last year, at the Ottawa summit, we discussed this issue. I think there is a general recognition that the system of subsidies to agriculture has got itself structured wrong and is altogether too costly. The estimates are that the cost to the society—if you add up the European Commission, the United States, and Japan, together—is well over \$200 billion a year. We have to do better than that. Furthermore, the way these systems work, it is a disservice to developing countries.

All of this is now, by common consent, under very intense review. That's what the negotiation is about. Exactly what the outcome will be is far from determined. There are big stakes involved—economic stakes and political stakes—and that's the reason why people are so intense about it. The need to do something that is drastic in order to correct this situation, I think, is generally agreed to. But then you come down to cases, and it is not so easy. That's why it's such a problem.

Q. This morning after the NATO conference, you said you were surprised by the Israeli moves into Lebanon, that you didn't have a lot of information. I wonder if you now have more information and if you could elaborate on your reaction.

Secretary Shultz. I didn't have any real information. I don't have much more now, because I have been engaged in meetings pretty much continuously. So I don't have anything more to say on that subject than I did this morning.

Q. I would like to come back on the GATT. You made an analogy with the council of Copenhagen, but the day after the Copenhagen council, officials in the Community—yourself included—made certain comments or prognoses as to the possibility of an agreement being reached in February in Brussels. Could you at least tell us then whether in the next few weeks or months, what are your feelings? Are you optimistic or pessimistic with regard to something that has, in fact, concluded with a serious failure?

President Delors. A serious failure—well, I leave it up to you to assess that. There were 15 subjects under discussion at the mid-term review, and it was possible to reach an agreement on 11 of them. And those agreements will be put on ice—in other words, they will only be implemented when we have an agreement on the four other subjects, including agriculture, textiles, intellectual property, and so on. We can't call that a failure.

As far as agriculture is concerned, we all agree with the diagnosis. We have to stop engaging in a subsidy war. This is simply not a good thing for the world economy in general, nor is it good for the poorest countries which have to export small amounts of foodstuffs. It is not a good thing then, so we have to stop the subsidy war.

What are the difficulties? Apart from the legitimate interests of the parties concerned, the difficulties, it seems to me, arise out of the fact that we don't have a single form of subsidy but various types of aid to agriculture. It is very difficult to compare them, to measure them with a single parameter. And the second difficulty is, of course, the diversity of agricultural structures, a difficulty that we encountered in the Community and one which we have overcome. I think that all this requires time.

As I said before, quite apart from the interest of the different parties concerned, it is perfectly normal that everyone should defend his own interests. But at the moment, what is at stake is really the prosperity of the world economy. From 1985 until 1990, we shall have reduced our subsidies by 20%. That is in the Community. We feel that this step-by-step approach is, in fact, the best possible. This is not everyone's view, but we do hope to be able to convince our friends that is the right solution.

Q. I wanted to ask Mr. Shultz, what is he going to leave by way of inheritance to his successor, in particular with regard to Argentina and Mexico?

Secretary Shultz. I take it you are referring to debt, but I call your attention to the fact that throughout the world and particularly in Latin America, it is noteworthy that government through democratic means and the treatment of people according to the rule of law has had a remarkable upsurge.

That is true in Argentina, where the human condition of life is much better and much different, and in an interesting way. While Mexico has had a democratic form of government for a long time, it now has a different pattern of opposition that has emerged. I went to the inauguration of President Salinas only a few days ago, and I was struck by the way in which he sort of embraced this opposition. It seems to be going forward in a tradition of open democratic processes.

I don't know that that was what you are particularly calling attention to, but I think it is worth calling attention to: the fact we see openness, freedom, and human rights and the rule of law on the march.

As far as the debt problem is concerned, of course it is a very significant problem. It has been coped with, I think, with a lot of skill over the past 6 years or so that it has been particularly noted. I think that, probably, people will make a new go at it. But this will be done by a new Administration in the United States along with others, and I don't want to put my oar in and stir their waters up. It is for them to decide.

¹Press release 256 of Dec. 12, 1988. ■

American Leadership in International Trade

by W. Allen Wallis

Address before the annual meeting of the President's Export Council on November 28, 1988. Mr. Wallis is Under Secretary for Economic Affairs and Agriculture.

In general terms, I will outline the way we in the Administration see the future of international trade, with special attention to the European Community's (EC) plans for integrating their markets by 1993. I must warn you that my crystal ball does not contain crystal of export quality clarity.

Trade is as important for America now as it has been in our history. It accounts for a growing share of our economic activity, and it affects many different sectors of our economy. Our enterprises have become globalized. About 40% of our imports come from foreign subsidiaries of U.S.-owned companies, and 88% of U.S. manufacturers use foreign-made components in their final products.

We have no realistic choice but to continue to lead the effort to promote free and fair trade, just as we did after the Second World War. After the war, farsighted leaders, drawing partly on lessons learned from earlier mistakes, devised new international economic institutions, including the Organization for Economic Cooperation and Development (OECD), the World Bank, the International Monetary Fund (IMF), and the General Agreement on Tariffs and Trade (GATT). Those institutions have worked well. Since 1950, we have seen a fivefold increase in world output and a ninefold increase in world exports. Today, income and wealth are spread more widely among nations than ever before. This is truly a magnificent achievement. We can be proud of America's leadership.

We can be proud also of another contribution we have made to the world economy. We have demonstrated the power for good that comes from teaming political freedom with economic freedom. That demonstration has impressed the world so strongly that nearly everywhere efforts are being made to emulate it. There is a remarkable and well-nigh universal movement away from political dictatorship and economic control toward democracy and markets.

We are in our longest peace-time expansion in history, now 6 full years, during which the American economy has created nearly 18 million new jobs. In the 1980s, manufacturing productivity has increased over 4% per year, three times faster than between 1973 and 1981.

International Trade Deficit and Foreign Debt

Not everything is perfect in the economy today, of course, but not everything that is said to be wrong is, in fact, wrong. I will mention two of the false alarms—the international trade deficit and foreign debt.

The trade deficit is a deficit only by virtue of ignoring an important part of the international picture. The trade deficit is, in fact, balanced by the capital surplus. As long as the United States remains the best place in the world to invest, capital inflows will tend to create a trade deficit—or to reduce a surplus if that were to come about from other circumstances. (That is simply an accounting identity.) Also, as long as the U.S. economy is growing faster than are the economies of our trading partners, the growth gap will tend to create a trade deficit. As the President has pointed out correctly, one of the important causes of our trade deficit is the relative strength of our economy. The decline in our trade deficit—over 30% in real terms since the peak a year ago—does not mean that our economy is weakening, but it does reflect (in part) improvement in the economies of some of our major trading partners.

As for the absurd idea that the United States is now the world's largest debtor—in a class with Argentina, Brazil, and Mexico—I will just mention four points.

First, the figures that are used do not even purport to show debt. They purport to show net asset position—how much we own abroad and how much foreigners own here—and the difference clearly is not debt.

Second, the figures are not accurate anyway since they reflect book, not market, values—gold at \$42 per ounce, for example.

Third, our debts are mostly in U.S. dollars, not in foreign currencies that have to be earned by international trade

Fourth, there would be no harm in being a net debtor anyway—we were a net debtor for most of our history. Borrowed capital is beneficial if it earns more than its interest and is not dissipated unproductively, as in South America.

Institutional Reforms and Regional Cooperation

We have entered an era of instantaneous global communications which has created sophisticated financial networks that transfer over a trillion dollars a day worldwide, a daily sum about the same as the U.S. Government's annual expenditures. This is an economic force beyond the control of any nation, no matter how powerful, or even any combination of nations.

We are bombarded with information from satellite communications and challenged by modern tools that allow more business to be done in more unconventional ways than governments can keep abreast of, much less control. The very nature of trade is changing, dealing less with material, tangible things. All of this requires restructuring some of the institutions which deal with international economics.

One of the key institutions that needs adjustment is the GATT. In the GATT, the Uruguay Round of multilateral trade negotiations is crucial to the long-term health of the world trading system. We need to build momentum for reform at the ministerial midterm review in Montreal next week. The key problems will not be solved at Montreal, but we need to obtain commitments on principles and objectives that will insure successful negotiations during the remaining 2 years of the round. At Montreal, we hope to achieve progress in processes for settling disputes in services and in other non-traditional issues, such as trade related to intellectual property and trade-related investment.

Regional arrangements will play a significant part in future trade. We will make a giant step by removing barriers to free trade between Canada and the United States. Our two nations exchange more goods and services—\$166 billion last year—than any two countries in the world. The elimination of tariffs and most other barriers to trade and investment will increase economic growth, lower prices, expand employment, and enhance the competitiveness of both countries in world markets.

Program 1992 and the U.S. Position

Another momentous step in regional cooperation is now underway with the acceleration of European economic integration. Broadly speaking, the [EC] 1992 program is an effort by some of our key allies to face global challenges together. Not only in trade but also in such areas as protecting the environment, controlling sensitive technologies, and regulating anticompetitive behavior, the EC has decided it can do better as one than as twelve. If fully implemented, integration of the European market can bring great advantages to Europe and to the United States. Our mutual economic interests are huge: in 1987, U.S.-EC trade totaled \$145 billion.

While a unified European market should be as advantageous to Europe, to the United States, and to the rest of the world as has been the unified American market, there are two hazards that could reduce the potential benefits or even reverse them—namely, protectionism and over-regulation. Increased competition from within the EC could lead European business to seek more protection against the outside. For those U.S. firms already established in Europe, this may not be much of a problem, but those not currently there could be frozen out if such a policy were adopted. We would be seriously concerned if EC policies were to require investment as a price for doing business in the single market. A company that now exports to Europe should not be required to invest in Europe in order to continue selling there after 1992. Senior EC officials have stated repeatedly that the program as envisioned will not result in "fortress Europe." As I told them during a recent discussion in Brussels,

however, they say this in the language of 17th century mercantilism, and that makes me apprehensive—in particular, the way they talk about reciprocity instead of national treatment.

With regard to the possibility of over-regulation, I refer you to [British] Prime Minister Thatcher's important speech in Bruges recently. She warned against unifying regulations by taking the "worst common denominator." Because social legislation in Europe requires the unanimity of all 12 countries—and the 1992 program does not—there appear now to be efforts to incorporate into the 1992 program such measures as labor participation in management and limitations on layoffs or plant closings.

Secretary Shultz will lead a Cabinet delegation to meet with EC ministers on December 9, and in discussing the 1992 program, we will reemphasize the importance for the United States of ensuring that its trade and other economic interests are not jeopardized by market integration.

In a world that Secretary Shultz has described as too small for violent conflict and too big for rigid attitudes, wild ambitions, and self-centered policies, sooner or later governments must see that joining with others is the best way to meet future challenges. The United States always is ready to work with others.

The *sine qua non* for keeping a steady course in world trade is to maintain American leadership, to broaden international cooperation, and to spread reliance on incentives, enterprise, and markets to control the economies of the world. Only by reliance on the market to control each economy can all the economies of the world be coordinated with efficiency and friendship. ■

EC Project 1992: The Dynamics of Change

by Denis Lamb

Address before the Washington International Business Council on September 9, 1988. Ambassador Lamb is U.S. Representative to the Organization for Economic Cooperation and Development (OECD).

Over the past year or so, American business and government have become aware that something of profound eco-

nomic and political significance is underway in Europe. Under the slogan "1992," the European Community (EC) has set out to perfect the common market formed 30 years ago by its six original members. Legislation is already being passed to move the EC toward the goal of "Europe without frontiers" and to remove the barriers to trade and investment that exist within the borders of the member states. In response,

businesses are adjusting their plans and strategies and merging with or acquiring other businesses in the expectation that substantial new challenges and opportunities are being created.

The countries of the European Free Trade Association (EFTA), which currently enjoy a privileged trading relationship with the EC, are searching for ways to avoid being disadvantaged by progress toward the EC's ambitious goals. In some EFTA countries, like Austria, there is an active public debate about the wisdom of applying to join the EC. Elsewhere, as in Sweden and Switzerland, governments are casting about for other ways, short of membership, to preserve their commerce with the EC.

The U.S. Government has publicly welcomed 1992, but, reflecting concerns of our own as well as those of the business community, we have also raised questions about elements of the program. The Japanese are worried about how their interests will fare in a Europe that appears ready to replace the patchwork protectionism applied to Japan by several of the member states with a common and centrally managed policy.

When the Community launched project 1992 three years ago, the event passed virtually unremarked in the United States. Aware of the Community's interminable quarrel over farm policy and how to pay for it and of the poor track record of earlier ambitious schemes to advance the cause of European unity—from the Fouchet Plan of 1961, which aimed at a common European foreign policy, to the Werner Plan to achieve economic and monetary union by 1980—Community watchers tended to divide into two groups—the indifferent and the skeptical. Disinterest and doubt began to dissipate after the EC's February 1988 summit in Brussels. There the heads of Community governments shunted aside the quarrel over farm policy, found yet another fix for the recurring question of Britain's payment to the EC budget, and put up new money for the infrastructure and investment projects that transfer resources from the richer members to the poorer. These decisions were intended to give the EC 4 or 5 years of breathing room to get on with the business of project 1992.

Why this relatively sudden move forward? The reasons are surely many and complex. There is a general desire to get on with the unfinished business of European construction to which all

EC members are committed in principle. There are proximate causes as well. One is the need to overcome Western Europe's relative economic stagnation. With its accompanying high unemployment and creeping internal trade restrictions, slow growth has persisted since the first oil shock. European multinational business has been active in pushing for change. Another cause lies in France's failed effort in the early 1980s to run an expansionist economic policy independent of its partners. The experience convinced the country's leaders, on both the left and right, that recourse to an independent policy had become a delusion. In the future, they believe, Europe will prosper together or not at all. Britain is largely motivated by the deregulatory thrust of 1992. What [British] Prime Minister Thatcher has preached and practiced at home lies at the heart of the project. Many knowledgeable Germans are convinced that their economy will face a crisis some years hence unless stultifying regulation can be overcome. Absent imminent danger to Germany's high standard of living, however, only the *deus ex machina* of 1992 offers the prospect of forcing action out of the political system. A final important factor is that the integration of the EC's new large member state, Spain, has posed fewer problems than anticipated. Although Spain continues to be plagued with severe unemployment, its vigorous economic growth is easing the transition.

Toward Mutual Recognition

The Brussels summit was a powerful signal that the Community is serious about the structural transformation of its economy. After Brussels, we in the United States began to examine the prospect and the process with greater care and attention. What did we find? First, that on taking office in 1985, a new EC Commission under President Jacques Delors had catalogued some 300 remaining fiscal, technical, and physical barriers to internal trade in goods and services; and that the Commission and the Council of Ministers, representing the member states, had established the goal of passing legislation to eliminate these barriers by the time the next Commission completes its 4-year term of office at the end of 1992. Second, we found that the EC had amended its "constitution"—the treaty of Rome—by the passage at the end of 1985 of the Single European Act. The

act will allow most of the 1992 legislation to pass by qualified majority rather than by unanimous vote. Equally important, the act fundamentally reorients that legislation away from "harmonization," or the quest for uniform Community-wide rules, and toward the concept of "mutual recognition."

The Single European Act says that "the Council may decide that provisions in force in a member state must be recognized as equivalent to those applied by another." Beyond the considerable contribution this language will make to the passage of the Commission's legislative program, it opens the way to competitive lawmaking in Community countries. Over time, businesses will be able to "shop" for the most advantageous regulatory climate and in doing so to exert pressure on all members to dismantle barriers. Contemplating this prospect in his excellent survey of 1992 in the July 9 issue of the *Economist*, Nicholas Colchester concludes that the exercise is nothing less than "an adventure in deregulation."

It will be well into the next century before a full evaluation of project 1992 is possible, even if the legislative phase encounters only predictable delays. In attempting to gauge its eventual impact, observers have focused on two main elements: the elimination of frontier controls and the removal of internal obstacles to trade. Each is worth a closer look. The goal of a "Europe without frontiers" is important because frontier posts add an estimated 5% to 10% to the cost of traded goods. They also aid the enforcement of market segmentation based on product standards and regulations and give individual member states the means to conduct trade policies which are different than those conducted by the Commission on behalf of the EC as a whole. The abolition of frontier posts may also loom large as a goal for some because their absence would encourage—even force—cooperation at the Community level on a range of noneconomic matters, including technology transfer controls, terrorism, and immigration policy.

Mutual recognition offers a powerful remedy for internal barriers to trade—like different product standards and conflicting regulatory regimes. One can even see how convergence might occur over time toward the French approach to policing the movement of people from within its borders for the purpose of controlling immigration and combating drug dealing and terrorism.

But, as the *Economist* survey argues, it is hard to see how the member states will be able to convince themselves to dispense with the role border posts play in isolating each EC nation's indirect tax system.

The problem lies both with national differences in the application of the EC's value added tax, or VAT, and in the way VAT is collected on exports and imports. The extent to which the member states rely on the VAT for revenue varies from 4% of GNP in West Germany to 10% in Denmark. The incidence of VAT ranges from a standard rate of 22% in Denmark to 12% in Spain and Luxembourg. Luxury goods face rates between 25% and 38%; food is subject to rates of between 1% and 10%. Coverage varies from 40% of consumption in the United Kingdom and Ireland to almost 90% in the rest of the Community. These disparities can be maintained because exporting countries refund to the exporter all of the VAT previously assessed on the value of the export, and importing countries slap their VAT rate on the import price of goods entering their territory. Frontier posts exist to ensure that untaxed exported products actually leave the country and that VAT is collected on imports.

Judging that it would be unworkable simply to apply the principle of mutual recognition and ignore VAT differences, the Commission fell back to a variant of the old method—harmonization—and devised an approach that would allow governments to retain some flexibility in setting rates. To deal with the collection side of the tax equation, they put forward a clearing house scheme. So far, these proposals have not found favor with the member states. Perhaps because, as the *Economist* put it, governments see them for what they are—a threat to their ability to decide “where for the good of the society to make life cheaper or more expensive.” At the moment, the way out of this impasse is not visible to outside observers, particularly since fiscal changes require unanimous agreement. Progress toward an answer may flow from the 1984 agreement between France and Germany, soon to be implemented, to remove completely their respective border controls. Since France's dependence on VAT for revenue and the role of public spending in its economy are greater than Germany's, leading to obvious problems, this bold step may identify solutions that can be generalized to the rest of the EC.

Eliminating Internal Barriers

If the ideal of a frontier-free Europe seems difficult to achieve, especially on the Community's ambitious timetable, things look brighter when it comes to the removal of internal barriers, including those that restrict the right of companies operating in one EC country to establish themselves in another. Many of the EC's fragmented, cartelized markets remain so because companies are not now free to enter other markets to compete for government business or to sell services.

Here the story lies in the details, too many to be recounted here. Not all of the 300 pieces of legislation have been written, and much of what has been committed to paper remains to be subjected to searching scrutiny within the Community. Even so, evidence to illustrate what is at stake is readily available. In road transport, for example, an estimated 30% of trucks crossing national borders return empty because of national restrictions. Government procurement remains a method of promoting “national champions,” or just plain nationals. Only 2% of large government procurements are awarded to outside bidders.

The Commission is actively wielding its new tools—qualified majority voting and mutual recognition—to break down these barriers. Nowhere is this more apparent than in financial services, where project 1992 is moving forward smartly toward the single market ideal. Financial services merit special attention for this reason, and for some others as well. For one thing, the EC's plans in this area have raised concerns in the United States that illustrate the kind of difficulties for third countries which can arise as 1992 unfolds. For another, analysts have begun to point out that financial market deregulation implies major concessions of national sovereignty. The Commission's proposals in this area, and their implications, have already provoked considerable discussion of the creation of a single central bank and a single European currency.

Spurred by the telecommunications revolution, financial markets are tending toward global unification. Protected margins are being eroded as new financial instruments and methods are devised. Wisely, the EC has decided to make the best of this situation, realizing that if it does not, it will stunt the growth and the competitive strength of its private financial institutions.

The Commission's study, “The Economics of 1992,” amasses the evidence of financial market fragmentation. For example, a consumer loan in the United Kingdom carries a spread over money market rates three times higher than a similar loan in Belgium. Mortgages in France and West Germany carry twice the spread as do mortgages in the United Kingdom. Similar disparities exist in insurance and brokerage services. For these markets to open up, three things have to happen: There must be freedom of capital movement so funds can seek their best return and sellers of financial services can be assured of payment, the right to sell financial services across borders must be provided in order to broaden markets, and providers of financial services in one EC country must have the right to establish themselves in other member countries.

In banking, the Council of Ministers has before it a banking directive based on the mutual recognition principle. It would create a single banking license enabling a bank legally resident in one EC country to open a branch in any other or to provide services to all of the other countries. Each branch will be subject to EC-wide standards for bank soundness, but these will be interpreted and applied by the country in which the parent is located.

The specific concern the United States has with the banking directive (and a parallel investment services directive) is that it contains a “reciprocity” clause which states that the treatment afforded an EC financial institution in a non-EC market will determine whether firms from that market will be permitted access to the integrated EC market. The point we are making, as forcefully as we can, is that the correct standard to apply is “national treatment.” The difficulty we have with the reciprocity clause is that it could easily be applied to justify discriminatory treatment against foreign firms based on legitimate differences in national regulatory regimes. As U.S. Treasury Deputy Secretary McPherson said in a recent speech, “Reciprocity that seeks to achieve identical commercial privileges in countries with different regulatory regimes will almost inevitably result in discrimination.”

Freeing up financial markets will require the removal of all exchange controls. This may not sound like much to Americans able to move money in and out of the country without restriction. For the EC's highly integrated, trade-

dependent economies, it means more. The *Economist* argues that "freedom of capital movements will make or break the European monetary system (EMS),¹ leaving it either a fundamental and pervasive part of the post-1992 market. . . or barely worth the candle." With 8 of the 12 EC governments committed to removing all remaining capital controls by 1990, two choices loom: either maintain fixed exchange rates through close economic policy cooperation (in a setting in which interest rates become a much more important mechanism for regulating capital flows), or abandon the goal. Although Prime Minister Thatcher continues to oppose bringing the pound into the exchange rate mechanism of the EMS, the general tenor of the discussion in the EC is strongly aimed at reinforcing the EMS.

Down the road, economic integration would appear to imply a major transfer of economic sovereignty and the need to create a Community institution to exercise that sovereignty. The contemplation of this prospect accounts for much of the increasing attention being paid to eventually setting up a European central bank and establishing a single European currency. For the moment, however, what seems sensible and appealing to European policymakers is a steady development of what exists. Thus, closer coordination of monetary policy seems possible, as is expanding the role of the European currency unit (ECU).²

A final thought on this topic. We divided the discussion of 1992 into two parts: frontier posts and internal barriers. The long-term implication of liberalizing financial markets is that this distinction is logical rather than real. It is hard to imagine the persistence of border controls as economic decision-making power gradually accumulates in a Community institution.

The Effects of Project 1992

What will 1992 mean for the United States? In capsule form, the important elements are the following.

More Growth. In essence, the EC is following the prescription that it helped elaborate in the OECD and the Group of Seven: the cure for "Euro-sclerosis" is structural adjustment. The Commission forecasts that the elimination of nontariff barriers (plus a dollop of old-fashioned fiscal stimulus) could raise the EC's gross national product by 4.5% to 7%, add 1.8 to 5 million new

jobs, and drop consumer prices up to 6%. Hard numbers are difficult to come by, the more so because so much of the effect of 1992—on investment and the labor market, for example—is indirect. But it seems fair to conclude that 1992 will be a major spur to growth. For third countries, and for the United States in particular, more growth will improve prospects for trade.

EC Unity. 1992 has infused the EC with a new sense of confidence and purpose, but the disparity in economic development between the north and the south is a likely source of tension in the years ahead. For the north, the imperative is to restructure to improve competitiveness; for the south, it is to raise living standards. One implication of this divergence of interest is that EC decisionmaking will be more than normally cumbersome and fractious. It may be difficult for outsiders to draw the EC's attention away from internal matters and toward issues with a global dimension. Over time, however, the EC should evolve into a more cohesive presence in the OECD and elsewhere on monetary, macroeconomic, and related issues.

Expansion of Central Decision-making. 1992 implies a major transfer of political power to EC institutions, with the Commission destined to play a central role in dealings with third countries on a range of issues where the member states now occupy center stage. As in trade policy matters now, third countries will have to adjust their strategies to accommodate increased power-sharing between the Commission and the member states. As European perceptions of this shift in authority grow, there will also be a push to make the EC's institutions more democratic. As a first step, the already directly elected European Parliament will play a larger role.

Competitiveness. As a consequence of 1992, EC firms will get bigger and become more efficient as they compete and benefit from economies of scale hitherto denied them. Smaller firms operating in a more competitive environment will also be more efficient. Foreign firms established in the EC should benefit from deregulation and the removal of barriers provided that the necessary legislation is written and implemented in a nondiscriminatory manner. But they will have to be aggressive competitors to survive and prosper.

Commercial Policy. While it is abundantly clear that 1992 is not motivated by narrow mercantilistic trade policy interests, the EC's trading partners have legitimate cause for concern. It arises because the 1985 Commission White Paper on 1992 is largely silent on matters of external policy, and because of a certain dissonance between the Commission's protestations of innocent commercial intentions and "the facts" as they have begun to emerge.

"Reciprocity," the concept incorporated in the banking directive, could be applied broadly on a sectoral basis. Some EC protectionists are not bashful about arguing that opening the internal market is, in effect, an unmatched concession to the EC's trading partners.

So-called transition measures present another problem. Article 115 of the Rome treaty reserves to member states "in economic difficulty" the right to impose national restrictions on imports. Of those in force, the most important by far restrict imports of Japanese automobiles. What can we learn from the automobile case? According to the July 22 *Financial Times*, the Commission is putting the finishing touches on a package to phase out national restrictions on imports of Japanese cars maintained by France, Italy, the United Kingdom, Spain, and Portugal. It would work like this: on the trade side, industry-to-industry deals would be eliminated, national technical standards maintained solely for the purpose of regulating imports would be replaced by Community standards readied for adoption over a decade ago, and the Japanese would agree to a 4-year freeze on imports at present levels (just over 1 million units, or about 9.5% of the current market).

Internally, national subsidies to the auto industry would be curbed, and constraints would be placed on the ability of the member states to compete for Japanese investment in auto production capacity. As to the desirability of all this, perhaps the rule ought to be "let he who is without sin cast the first stone." What can be said with justice is that these proposals hardly constitute a bold stroke to eliminate barriers of dubious legality under international trade rules. The pertinent practical question is whether that import freeze will actually go by the boards after "x" years.

A third problem area is product standards. It is to be anticipated that suppliers that do not participate in the setting of standards, including U.S.

suppliers, will be disadvantaged. A number of such issues already confront us.

The Uruguay Round and Agriculture. What does 1992 portend for the ongoing round of multilateral trade negotiations in Geneva? What about the resolution of differences over farm policy that have pitted the EC against the United States for more than 20 years? A number of considerations apply. Where the EC is prepared to liberalize, as in services, the 1992 exercise is capable of furnishing it with "trading stock" that can be used to obtain concessions in Geneva. In this way, 1992 could energize the Uruguay Round, which must compete for the attention of policymakers with the U.S.-Canada Free Trade Agreement, rapidly involving trade relationships centering on Japan in Asia, and with 1992 itself.

Many commentators have said that the key to a successful Uruguay Round is a deal on agriculture. Equally numerous are those who hold that the only solution to the global problem of agricultural overproduction and resulting trade strains lies in the multilateral round. No country, or entity, the reasoning goes, can disarm unilaterally in agriculture. There has to be a global deal. What are the prospects? Here optimism begins with pessimism, in that it seems clear enough that the Brussels summit financed CAP [Common Agricultural Policy] overproduction without finding a solution to it. 1992 may give the Uruguay Round a welcome boost because it will generate a need for large sums of money to ease EC North-South differences. Reducing agricultural support can help provide it. There is another factor that may turn out to be important. For many years the policy that has served as the "glue" to hold the EC together—"crazy glue" in the eyes of some—has been the CAP. As 1992 directs the EC's search for cohesion toward other policies, the way will be eased for the United States and the Community to agree on rational farm policies. If this happens, then Japan, which has a major contribution to make through the lowering of its barriers to agriculture imports, will find it difficult not to go along.

Conclusion

We are fond of observing it in football games and tennis matches. "Big mo," or momentum, is a vital if elusive element in any struggle. In project 1992,

the momentum lies with the forces of liberalization and openness and integration. The restoration of European dynamism and self-confidence is at issue. Major changes for the better in the way the EC does business, inside Europe and with the rest of the world, are in the offing. But the outcome is far from decided. Powerful forces are ranged on the other side and some important U.S. interests will be put at risk. These interests will be defended with vigor. We have the tools to do so, including rights embodied in our Treaties of Friendship, Commerce, and Navigation with the member states; and mutual commit-

ments undertaken in the OECD and the GATT [General Agreement on Tariffs and Trade]. If the Community follows its sound and bold prescription for more growth and more unity and liberalizes without turning inward, then we and it and the rest of the world will benefit. I think they can do it.

¹The eight currencies participating in the exchange rate mechanism of the EMS are West Germany, France, Italy, the Netherlands, Denmark, Ireland, Belgium, and Luxembourg.

²The ECU includes the EMS currencies plus those of Greece and the United Kingdom. ■

U.S. Trade Objectives in the Uruguay Round

Overview

The current round of multilateral trade negotiations, expected to last 4 years, is vital to the future well-being of the United States and global economies. International trade has been an important engine for economic growth and development since World War II. Most non-communist countries, which account for more than 80% of world trade, are participating in the Uruguay Round of talks that were initiated at Punta del Este, Uruguay, in September 1986 under the auspices of the General Agreement on Tariffs and Trade (GATT).

For more than 40 years, the GATT has been the major international trade organization and forum responsible for reducing trade barriers. Seven rounds of multilateral trade negotiations have been completed under the GATT. They have focused on cuts in tariffs, which are now at historically low levels among the industrial countries. The previous series of trade talks—the Tokyo Round of 1973–79—also reduced some nontariff barriers.

The major U.S. goals in the Uruguay Round are trade liberalization extending GATT coverage to major new areas (such as services and intellectual property) and reinvigoration of the GATT system of international rules through timely and efficient enforcement. The result should be far fewer distortions to world trade in goods, services, and high technology, greatly benefiting American farmers, businesses, and consumers. Specific U.S. objectives include:

- Long-term, market-oriented reforms of agricultural policies that will permit the dismantling of subsidies and import barriers that serve as artificial roadblocks to free trade;
- Agreement on principles governing trade in services;
- Common standards for protection of intellectual property, such as patents, trademarks, and copyrights;
- Greater integration of developing countries into the GATT system;
- Improvements in the codes on standards, government procurement, and subsidies; and
- Institutional improvements in the GATT, including the strengthening of its dispute settlement mechanism.

Although adjustments would be necessary in every country, the bottom line would be increased growth and efficiency for those participating in a more open, competitive, and dynamic world trading system. A successful Uruguay Round would result in increased access to foreign markets by American businesses and farmers, particularly in areas where we have a comparative advantage. U.S. service firms would be able to sell their products and experience in this rapidly growing sector of the global economy. American consumers would be able to buy a greater variety of reasonably priced foreign goods.

The alternative—greater protectionism and the unraveling of multilateral trade ties—is a prospect that must be avoided. Trade barriers are still too high, not only in the industrial nations of Europe and Japan but also in developing countries. The United States believes that all GATT members

must make a determined effort to reduce these barriers because it is in everyone's interest to do so.

Major Issues

Agriculture. The United States places very high priority on reaching an agreement on agriculture in the Uruguay Round. Agricultural distortions need to be reduced multilaterally so that no country obtains an unfair advantage over its competitors. Worldwide protectionism, subsidies, and quotas are rampant in agriculture. Agricultural trade is the only area in which the GATT permits export subsidies. Most governments use price supports and import restrictions to keep internal agricultural prices high. The result is overproduction of agricultural goods, which are often dumped in foreign markets. Partly as a consequence, America's farmers have been losing their share of export markets in recent years. The traditional U.S. surplus in agricultural trade has declined sharply from \$26.6 billion in 1981 to \$6.5 billion in 1987.

U.S. policymakers believe strongly that action is required on two fronts: trade liberalization and reform of domestic farm programs. In July 1987, the United States proposed that agriculture be fully integrated into the GATT system by phasing out all tariff and nontariff barriers, including export subsidies and all domestic support programs, by the year 2000. The U.S. proposal also recommended harmonization of health-related measures affecting agricultural trade. Governments with restrictive farm policies have resisted these ideas.

Market-oriented agricultural policies and trade would benefit many countries. According to a recent study by the Center for International Economics in Canberra, Australia, agricultural liberalization would reduce the U.S. budget deficit, create additional jobs in the European Community, increase real wages for Japanese workers (by lowering local food and other prices), and provide higher real incomes for developing countries. Farmers in the United States (and other competitive agricultural nations) would be able to increase their exports. For example, if the Uruguay Round agreed to eliminate subsidies, agricultural prices might rise, and U.S. wheat producers could substantially increase their sales and revenues.

Services. The services sector—e.g., transportation, tourism, finance, insurance, telecommunications, construction, and engineering—has become increasingly important in the 1980s. Services account for 70% of U.S. gross national product and 75% of American jobs. In 1987 U.S. exports of services amounted to \$175 billion, about 40% of total U.S. exports of goods and services. Nevertheless, few international agreements cover trade in services; previous GATT rounds have not negotiated this issue.

The United States supports GATT agreement on principles to prevent the spread of new barriers and liberalize trade in services. Such an agreement would enable American firms to export more services. Although some developing countries fear competition from firms in advanced industrial economies in such areas as banking, insurance, and telecommunications, they would gain needed expertise in making their service sectors more efficient. Decisions on trade in services issues, which are being handled by a separate negotiating group, will have to be part of the total package of agreements reached at the end of the Uruguay Round.

General Agreement on Tariffs and Trade

The General Agreement on Tariffs and Trade is an international arrangement (a code of rules, an institution, and a forum for negotiations) designed to achieve a more open trading system by reducing tariff and nontariff barriers. Adopted in October 1947 by the United States and 22 other countries, the GATT has made a major contribution to the rapid growth in international trade since World War II. A basic GATT principle, embodied in the most-favored-nation clause, is that trade must be conducted on a nondiscriminatory basis. The GATT faces major challenges, including protectionist pressures in many countries, the need for consensus among its major members to reach decisions, and a defective dispute settlement mechanism. The GATT currently has 96 "contracting parties" that account for more than 80% of world trade; an additional 30 countries apply GATT rules. Its headquarters and secretariat are located in Geneva.

Foreign Investment. Foreign investment has become an important GATT issue because of its extremely rapid growth worldwide. Subsidiaries of foreign companies often have to provide services on the spot in the user country. Many countries have trade-distorting investment policies, such as excessive local content requirements. The United States believes that it is important to develop international rules and disciplines on foreign direct investment, particularly as it relates to trade. GATT agreement on this issue would contribute to improving the investment climate in developing countries and help them to attract foreign investment. As a major source of capital flows to developing countries, foreign investment is a key factor in their future economic growth and efficiency.

Intellectual Property. The protection of intellectual property, such as patents, trademarks, and copyrights, is increasingly important to the world trading system. Where previous intellectual property piracy centered on the unauthorized copying of books, films, musical works, and brand name consumer goods, we now confront the counterfeiting of computer software, semiconductor chips, pharmaceuticals, agrichemicals, and even spare parts for aircraft. These actions increasingly distort trade, result in inferior quality products for consumers, and reduce the incentives for economic and scientific progress throughout the world. As part of the Uruguay Round, the United States has proposed a comprehensive agreement on intellectual property that includes standards, internal and border enforcement, and GATT-type dispute settlement procedures that minimize obstructions to legitimate trade.

Developing Countries. More than two-thirds of GATT members are developing countries, which have a growing role in the international trading system. In 1987 U.S. trade with developing countries amounted to \$231 billion, or approximately one-third of total U.S. trade. An important objective of the Uruguay Round is to encourage the more advanced developing countries, including those in East Asia, to shoulder more of the obligations of GATT membership. We hope that developing countries, as they reach higher levels of economic development, will "graduate" to taking full-fledged responsibility for the future health of world trade relationships.

The developing countries are vitally interested in tropical products in which they have a comparative advantage. They want the industrial countries to allow freer and fuller access to these products. The United States has offered a faster track for the phaseout of import restrictions on tropical products than for other agricultural commodities, provided that other GATT members, including developing countries, do likewise. The developing countries also are requesting industrial nations to have less protectionist trade policies toward textiles and natural resource products.

Safeguards Against Import Injury. Safeguards are emergency actions by governments to temporarily restrain imports to protect domestic industries

The Uruguay Round

The latest round of multilateral trade negotiations, in which 105 countries are participating in Geneva, is scheduled to end in 1990. A mid-term review meeting of the GATT trade ministers takes place in Montreal in December 1988. There are two major groups dealing with the complicated and potentially unwieldy negotiations. One group handles trade barriers to goods and has 14 subgroups on separate issues; the other has responsibility for trade in services. Although both groups are operating separately, they report to the Trade Negotiations Committee. The trade issues of goods and services are related and will have to be considered together in a final package toward the end of the negotiations.

from harmful imports and give companies time to adjust to foreign competition. GATT members worked hard during the previous Tokyo Round to reach agreement on a safeguards code, but they were unable to reach a consensus. Some industrial countries, particularly those in the European Community, strongly supported the right to retaliate selectively against the imports of some countries. Many developing nations vehemently opposed selectivity, favoring the principle of similar universal treatment. Other countries (both developing and developed) accepted selectivity in principle

but only under clear and restricted conditions. This unresolved issue is again being discussed and negotiated in the Uruguay Round.

Other Nontariff Barriers. The Tokyo Round agreed on nine codes reducing nontariff barriers, but their implementation has only been partially successful. These codes of common standards and procedures lower national nontariff barriers, increase public information, and reduce uncertainty in the flow of trade. The United States wants to improve the codes on subsidies, product standards, and government procedures by reducing subsidies, limiting the restrictive nature of product standards, and liberalizing the scope and implementation of government procurement practices. The overall result would be increased competition in the marketplace and greater economic efficiency.

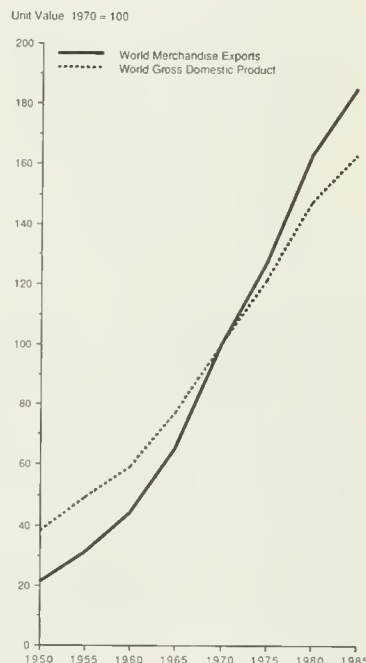
Institutional Changes. Despite the importance of trade in the global economy, the GATT does not have the same institutional standing as other international organizations, such as the International Monetary Fund and the World Bank. The United States and many other GATT members want to strengthen the organization and its enforcement powers in order to improve the international trading system. They would like a more independent role for the GATT secretariat. The dispute settlement mechanism has been criticized for being too weak and time consuming. Countries sometimes tend to selectively observe or stretch the GATT rules when they feel it is in their interest to do so.

Tariffs. Although a reinvigorated and expanded GATT system will be the key to the success of the Uruguay Round, tariffs also are a subject of the negotiations. Tariffs in the industrial countries are now so low (about 4%) that they cannot be reduced much further. However, the more advanced developing countries can afford to reduce tariff barriers in view of their economic progress. In addition, the United States is encouraging all countries to lower their tariffs, especially if they have not done so in the past. A "bound tariff" under the GATT guarantees that rates will not be changed without negotiation and compensation to trading partners. ■

World Trade and Economic Growth

The rapid growth of international trade has been a major feature of the modern world economy. From 1950 to 1985, total merchandise exports increased in volume terms by approximately 780%, compared with a rise in world real gross domestic product of about 330%. World trade as a percentage of world output doubled in 20 years, from almost 8% in 1960 to almost 16% in 1980, and has remained essentially the same since then. Consequently, most countries, including the United States, have become more open to and influenced by foreign trade.

World Merchandise Exports and Gross Domestic Product, 1950-85



An Agenda for U.S.-Soviet Cooperation

by Richard H. Solomon

Address at the Soviet Ministry of Foreign Affairs in Moscow on November 2, 1988. Mr. Solomon is Director of the Policy Planning Staff.

I appreciate this opportunity to address senior diplomats of the Soviet Ministry of Foreign Affairs. Today's occasion reciprocates the presentation that Ambassador L. I. Mendelevich made to the U.S. Department of State's "Open Forum" in April of this year, on the occasion of the second round of Soviet-American policy planning talks. His remarks were warmly received by my American colleagues. I hope I can live up to his pathbreaking example.

My remarks today are oriented to the future—the future of U.S.-Soviet relations in a world undergoing dramatic changes. But let me begin this look forward with one step backward, with a brief recall of some history.

The State Department's Policy Planning Staff was established in the spring of 1947 by then-Secretary of State George Marshall—just after he returned from a trip to the Soviet Union, just as the relationship we had established during the wartime alliance against the Nazis was coming apart. The staff's first director, the distinguished Sovietologist George Kennan, and his deputy, the noted economist and defense expert Paul Nitze, were present at the creation of America's postwar foreign policy. They were charged with developing policies for the economic reconstruction of Europe. They were also concerned with the Soviet Union's expanding international activity, particularly in Eastern Europe. Their labors produced the Marshall Plan and the basic concepts for America's postwar defense strategy.

Today, 41 years later, we are again at the beginning of a new international era. And the Policy Planning Staff has a very different agenda from that which confronted Kennan and Nitze—one oriented to the profound scientific, economic, and political changes that are transforming the global system. One indicator of the depth of these changes is that U.S. and Soviet policy planners are now able to sit down together and assess the meaning of these changes, for the world and for U.S.-Soviet relations.

One of our concerns, as we look toward the future, is the "new political thinking" put forward by President Gorbachev and Foreign Minister Shevardnadze. Their bold and farsighted program of reform for the Soviet Union, and the dramatic ferment it has unleashed in your country, have captured the interest and the hopes of many Americans. What kind of change will *perestroika*, *glasnost*, and *demokratizatsia* bring to your country? What does it mean for the United States when we are told that Soviet foreign policy is no longer governed by the theory of "class struggle"? And do the concepts of "reasonable sufficiency" and "nonoffensive defense" offer real prospects for diminishing the military confrontation that has burdened our relationship for the past 40 years? The form and substance you give to such concepts will have an important impact on our own approach to arms control and to the evolution of our relations.

The frank and productive dialogue that has grown between Secretary of State Shultz and Foreign Minister Shevardnadze, and my own free-wheeling exchanges with Ambassador Mendelevich and his colleagues, have enhanced our understanding of this "new thinking." And based on the substantial progress made in U.S.-Soviet relations in recent years, we are now able to explore the following question: In what ways can our two countries cooperate so as to move us beyond the confrontations of the cold war era?

Our "dialogue of planners" is designed to help answer this question. "New thinking" is required on our side as well as yours. We cannot allow rigid policy guidelines, outdated concepts, or stereotypes to prevent us from developing new ways of meeting the profound changes that are taking place in the world. We cannot afford to be prisoners of doctrines developed generations ago in very different times and circumstances. Yet, we must also be realists. It will take time and mutual efforts to unburden ourselves of the legacy of decades of confrontation.

Today, I would like to share with you two future oriented aspects of our dialogue: first, our assessment of the global trends that require us all to adjust to a new future; and second,

the kind of agenda for U.S.-Soviet relations that could move us away from confrontation and toward increasing cooperation.

New Global Trends

Secretary of State Shultz, in a recent series of speeches,¹ has explored the transformation of our economies from the agrarian era to the industrial age to what is now emerging as an era of information technologies. As policy planners, what is particularly interesting about today's "information revolution" is its profound impact on global economic, political, and security trends.

I might summarize the most evident of these trends as follows.

- Scientific and economic power is dispersing widely around the world. Countries such as China, India, and Israel are getting into the space launch business. South Korea, Brazil, and Singapore are major producers of electronic products. At the same time, the gap between the advanced countries and the less developed, between those participating in the information revolution and those that are not, continues to widen. Even as China and India become self-sufficient in grain production and develop high-technology industries, a major portion of the African Continent is increasingly burdened with the threat of famine, and many of its people live generations away from the world of computers, industrial robots, and satellite communications.

- This dispersion of power is eroding the bipolar world of the 1950s and 1960s. China is now moving to a position of greater equidistance in its relations between the United States and the U.S.S.R. New coalitions of states are forming, especially on a regional basis, to deal with problems of economic growth and security. I have in mind such groupings as ASEAN [Association of South East Asian Nations] in Southeast Asia and the Gulf Cooperation Council in Southwest Asia. And new international institutions are being created—or old ones are being strengthened—to deal with the challenges of this emerging era.

- There is a clear trend toward interdependence and integration on a global scale. Satellite communications and modern transportation now make

Earthquake in the Soviet Union

WHITE HOUSE STATEMENT, DEC. 8, 1988¹

The President and Mrs. Reagan telephoned General Secretary and Mrs. Gorbachev at the Soviet Mission in New York this morning to convey their sympathy at the earthquake in the Soviet Union and to wish them well on their journey to Moscow. The Reagans spoke from the family quarters on the second floor of the White House. The President spoke to the General Secretary from 10:21 to 10:28 and Mrs. Reagan spoke to Mrs. Gorbachev from 10:28 to 10:34 a.m.

The President told General Secretary Gorbachev: "I received word last night of your early departure from New York and wanted to tell you how sorry I am that you must leave. I fully understand, however, that you have no choice but to return to your own country and be with your people following the early morning earthquake. I know I speak for all Americans when I express my deep personal sorrow at the loss of life caused by this earthquake. We under-

stand that it was a very serious one. If there is any way in which we can be of assistance, either bilaterally or through the international community, please let me know. I want to tell you again how much both the Vice President and I enjoyed meeting with you yesterday. I think it was a very useful meeting for both sides. I wish you much success in the future and a safe journey home. Godspeed."

The General Secretary thanked the President for his understanding and condolences.

Mrs. Reagan told Mrs. Gorbachev: "I also wanted to convey to you directly my personal sorrow and concern over this tragedy. I'm so sorry. If we can do anything at all to help you, we're more than willing to. We look forward to seeing you either in the Soviet Union or California. Have a safe trip back."

Mrs. Gorbachev thanked Mrs. Reagan "for remembering us, for calling, and for your support."

¹Text from Weekly Compilation of Presidential Documents of Dec. 12, 1988. ■



White House photo by Pete Souza

As Soviet Ambassador to the United States Yuriy Dubinin, Mrs. Dubinin, and Mrs. Reagan look on, President Reagan signed the condolence book at the Soviet Embassy for the earthquake victims in Armenia.

possible a worldwide financial market, the cross-national production and marketing of industrial products, and instantaneous global transmission of news broadcasts. Yet, perhaps in reaction to these trends, we also see tendencies toward economic protectionism and isolationism—even in as internationalized a country as the United States.

- The character of the nation-state is being transformed. Countries are being "pulled apart" by the opposing forces of national integration into the global economic and political order and by the concurrent trend toward decentralization of domestic economic management and political democratization. Yet, the concept of state sovereignty endures, even as national governments are increasingly unable to control currency values or the information that crosses sovereign borders through electronic means, and as they find that problems of security or ecology can be dealt with only through cooperative measures with other states.

- This trend toward global interdependence is also producing a worldwide culture of common information and material products, shared music, and common cuisine. At the same time, we also see parochial trends of language, nationalism, and religious fundamentalism that, while giving people a sense of identity in this era of rapid change, also help to fuel unresolved ethnic conflicts and regional disputes.

- We see a worldwide trend toward political decentralization and a stress on human rights. Military regimes and highly centralized governments are finding that they cannot deal with the challenges and opportunities of this merging new era without major political and economic reforms. From Argentina to El Salvador, from the Philippines to South Korea, there is a continuing, if unstable, pattern of democratization. And in the communist world—in China and the Soviet Union in particular—we find concurrent efforts to adapt Marxist-Leninist political institutions to this new era.

- And finally, despite the advances in material well-being offered by this era of spreading high-technology capabilities, there are also sources of greater insecurity: the proliferation of highly destructive weaponry—aircraft, missiles, chemical weapons—and the emergence of new threats to personal security—the international drug trade, terrorism, and ecological damage.

Ambassador Mendelevich and I, in our productive exchanges, largely agree on this assessment of global trends. Yet we have significant differences in our policy perspectives on dealing with these challenges. Our contrasting views could be described as the difference between a "top down" approach to problem-solving and one "from the bottom up." It is the difference between a "comprehensive system of international security" and day-by-day cooperation to combat terrorism or to constrain the international arms trade.

Despite these differences, our shared analysis of global trends provides the basis for a U.S.-Soviet agenda designed to build the foundations of a more cooperative relationship. Let me describe how I see this agenda.

An Agenda for Cooperation

The changes now underway in Soviet foreign and domestic policies have dramatically expanded the working agenda for U.S.-Soviet relations adopted at the Geneva summit in 1985. Our dialogue in the four areas of human rights and humanitarian affairs, arms control, regional problems, and bilateral issues is now intensive and increasingly focused on practical achievements.

And what is just as important as the practical issues we are working on is that we are gradually and carefully eroding the mistrust of the past and laying a foundation of mutual confidence. Over time, this will help us expand our agenda of cooperation. If we learned anything from the experience of detente in the 1970s, it was that trust cannot be manufactured simply through vague "agreements in principle" or by high-sounding exchanges between leaders. It must be built from the bottom up, issue by issue, and it must be fortified by continuing efforts to solve concrete problems. This is not to slight the importance of broad concepts which can guide us toward the future in a time of great change; yet, the most durable foundation of mutual confidence will be built by more agreements of the sort now helping to avoid incidents at sea and more treaties of the INF [intermediate-range nuclear forces] variety, not by new "codes of conduct" or abstract commitments to "peaceful coexistence."

In assessing prospects for new forms of U.S.-Soviet cooperation, we must recognize that we are dealing with a process, one that will be prudent, practical, and evolutionary. We

are not heading for utopia. The fundamental differences that have divided us in the past are not going to disappear as if by magic. Our two nations will continue to be competitors and to have conflicting interests; and our peoples will continue to have differing values and outlooks. Yet, to the extent that we succeed in identifying common interests and creating practical solutions to concrete problems, we can build a foundation of public support for cooperative efforts. And hopes are high in many circles that this is the new direction in which our relations are headed.

Let me develop this perspective in more detail, in terms of the four-part agenda.

First, human rights—Human rights is always high on our agenda, because the values we associate with the term are essential to a just and peaceful world, and because the American people give great weight to human rights concerns in our dealings with other countries. Public support for cooperative activities that our two governments might undertake rests on concrete progress in the human dimension of our relationship.

As we look at the recent pattern of Soviet human rights performance, we see a moving, shifting picture, not the grim, frozen image which was so long in our mind's eye. This is a vital area which you are now addressing in the context of your own political and legal reforms. We welcome this process, and anticipate further progress.

In this area, as in others, the United States favors a realistic, problem-solving approach. Our starting point is the plight of the individual—divided spouses, the refusenik, the religious believer, the dissident in a psychiatric hospital, and the imprisoned human rights activist. Our interest then extends to the larger legislative, administrative, and juridical framework in which the fundamental rights of the individual can be protected and their exercise given positive encouragement.

We have engaged in a practical, official dialogue on human rights and humanitarian affairs with you for the past 2 years. This is a remarkable development in comparison with past practice, and the dialogue is now expanding beyond governmental channels to involve parliamentarians, lawyers, psychiatrists, and other interested private citizens. Our dialogue gives real meaning to *glasnost* and will facilitate the expansion of your external relations.

There is still great room for further developments both in your reforms and in our discussions. Your efforts will be an important source of the trust and confidence we hope to build into the relationship in the coming years.

Next, security and arms control, a major area of cooperation and progress in our relations—The recent achievement of the INF Treaty affirms the value of a concrete, practical approach to problem-solving. Unfortunately, some Soviet arms control proposals have been substantially less practical. One example is the notion of creating a non-nuclear world by the year 2000. We, too, look forward to a future free of the threat of nuclear annihilation. President Reagan and General Secretary Gorbachev have agreed that "a nuclear war cannot be won and must never be fought." Yet, while we share this lofty goal, the United States and its allies are not about to cast aside—even rhetorically—the system of nuclear deterrence that, like it or not, has kept the peace for more than 40 years.

We seek a safer, more secure world. Yet, history would not look kindly on us if, in the interest of eliminating nuclear weapons, we only made the world safer for conventional warfare. We want not only major reductions in nuclear arms but also a more stable balance in conventional arms at the lowest possible levels. We want reductions that are verifiable as well as stabilizing. This is not to say we can be complacent about the risks of nuclear weapons. Since the 1960s, the United States has unilaterally reduced its stockpile of nuclear weapons by 33% and our total megatonnage by 75%.

In the period ahead, we should complete the negotiation on 50% reductions in strategic offensive forces. And it is now time to give serious thought to where the broad range of arms control discussions now underway—on strategic arms, defenses, testing, conventional weapons, chemical arms, and missile proliferation—is taking us. We have a unique opportunity to give concrete meaning to the goal of "strategic stability"—in part by considering whether strategic defenses can in time be used to enhance stability.

We are learning from the experience of INF verification that the process of building trust is dynamic and evolutionary. Patterns of openness and cooperation on sensitive military matters are growing as we implement the

treaty. Direct contacts between our military officials, such as those that have occurred at senior levels in recent months, can have a profound effect in building confidence and making possible further efforts to solve practical problems.

I mentioned at the outset of these remarks the global trend toward proliferation of high-technology weaponry. The Iran-Iraq war taught us all many lessons about the destructiveness and the ready availability from many sources of high-performance aircraft, missiles of all varieties, and even chemical weapons. Arms control is no longer the exclusive concern of the major powers—not that it ever was. Yet, the example of our concrete achievements in limiting nuclear and conventional weapons will be a powerful example to others.

We now face many additional challenges to cooperate—among ourselves and with others—in efforts to limit or eliminate the proliferation of this advanced weaponry. We also must cooperate in dealing with such unconventional security threats as terrorism and the international drug trade. As we confront these issues, we will have to resolve a variety of daunting problems, such as appropriate organizational forms for restricting the international arms market, and the most effective ways to verify the absence of chemical weapons. And we are just beginning to confront the substantial costs of verification regimes and peacekeeping forces which support our efforts to resolve regional conflicts. Arms control, we are discovering through practice, is as expensive as it is worthwhile. And we should not create illusions that nuclear disarmament will free up large amounts of funding for economic development.

Which brings me to the third element of our cooperative agenda: regional conflicts.—Over the past 2 years we have achieved levels of mutual understanding that were quite unimaginable at the time we decided in Geneva in 1985 to embark on regional experts consultations. And we have made significant progress on some of the conflicts that have long engendered distrust in our relations—most notably Afghanistan and southern Africa.

Yet, we must be clear eyed about what we have accomplished and what remains to be done. We are making some progress in disengaging the East-West confrontation from several of the many regional conflicts that continue to trouble our world. This is no small

achievement, although much work remains to be done in such areas as Korea, Indochina, and Central America. We look forward to further bold and farsighted Soviet decisions such as the one your leadership made regarding Afghanistan. We await signs of “new thinking” in your approach to Central America, as well as indications of *perestroika* and *glasnost* in Cuba, Nicaragua, North Korea, and Vietnam.

We have been less successful in promoting political settlements among the warring parties to regional or local disputes. Moscow and Washington cannot determine the outcome of internal political conflicts, and an approach which assumes we can impose settlements is bound to fail. Yet, we should persist in our efforts to promote national reconciliation, realizing that our influence will be limited and that other parties may usefully substitute for our involvement.

The United Nations can play a role in facilitating the resolution of such conflicts, but two things must happen first. The parties to a dispute must genuinely want the help of the United Nations; and the UN member states—especially those on the Security Council—must agree on concrete actions for peacemaking.

We can draw satisfaction from the fact that we have now moved a number of regional disputes from overt conflict to a process of political resolution. The challenge for the future will be whether we can prevent U.S.-Soviet differences from becoming caught up in regional conflicts yet to emerge. And that test will have an especially important bearing on our ability to broaden our cooperative agenda.

Finally, the bilateral dimension of our agenda has produced most of the agreements that have been signed at ministerial meetings and summits in the past 2 years. None has been as dramatic as the INF Treaty, but taken together they form the building blocks of a more constructive relationship.

As *perestroika* advances, we are finding new areas of common interest for practical cooperation. Cultural and scientific exchanges have expanded dramatically in the last 2 years. And our bilateral trade and economic relations are also likely to expand as the Soviet economy shifts toward a market orientation.

We must recognize, however, that economic success in today's world does not come with membership in this or that international organization. It is

based on being competitive in a rapidly changing global marketplace; it comes with producing goods and services that are world class in quality. Achieving these objectives will depend largely on the progress of your reforms. Many nations before you have discovered that there are no easy solutions to such fundamental problems as price reform or currency convertibility; yet they are the basis of your integration into the international economy.

Limitations and Responsibilities

In conclusion, Americans draw great hope from the remarkable progress made in U.S.-Soviet relations since the Geneva summit of 1985. We now have before us new opportunities to resolve a broad range of problems that have long troubled our relationship, and to build new patterns of cooperation. In January of 1989, a new American Administration will inherit a rich agenda for U.S.-Soviet relations and a strengthened foundation of public support for continuity along the road that was opened 3 years ago by President Reagan and General Secretary Gorbachev.

All the same, we must be realistic about the limits of cooperation. What are the limits? First and foremost, we will remain competitors with conflicting interests in some very fundamental respects. We are certainly not going to abandon our alliances, or our defenses, even as we strive to lower and stabilize the level of military confrontation. We will continue to have differences of view about how to organize national economies and the international economic order. We each see advantages to being participants in a vigorously expanding global economy; yet success in that economy is a function of our respective abilities to adjust to an increasingly competitive, market-oriented world economic system.

We will continue to have fundamental differences about the relationship between the state and the individual. Yet, both our governments have made international commitments to respect fundamental human rights and provide conditions where these rights can be fully exercised. Now the challenge is to thoroughly implement those agreements.

We must also deal promptly and wisely with the political tensions which arise all too readily as a consequence of the dispersal of economic and scientific power and of the growing multipolarity

of the world. For example, the United States will continue to improve its relations with the states of Eastern Europe. This is natural and should be understood as without threat to the Soviet Union's interests in the region. In similar fashion, as the Soviet Union develops its relations with Western Europe, we expect that Soviet leaders will recognize U.S. interests in the "common European home." Rapid change always heightens uneasiness, and our official dialogue will be all the more important for dispelling mistrust.

Some countries may not always react positively to new forms of U.S.-Soviet cooperation. Some may exaggerate in their own minds the extent of U.S.-Soviet "collusion," and they may seek to resist our cooperative efforts. Should these concerns arise, they must be addressed. Our task will be to reassure allies and friends that improvements in U.S.-Soviet relations will not come at the expense of older and deeper friendships and alliance commitments.

And, as Ambassador Mendelevich suggested last spring to [the Department's] "Open Forum" audience, our two countries have a special responsibility to manage our differences so that we compete without becoming hostile adversaries, and we must seek new opportunities to transform our relationship from that of opponents to partners.

Recognizing these limitations on U.S.-Soviet relations and our special responsibilities, it is our unique opportunity as policy planners to identify areas of cooperation which will enhance our national interests and international security. We must strive—as Ambassador Mendelevich has suggested—to make the process of improving Soviet-American relations irreversible this time. Our common goal must be to attempt to redirect our competition into areas that are less threatening to our mutual security and to find cooperative ways to build the better world we each seek.

NATO Defense Planning Committee Meets in Brussels

The Defense Ministers of the North Atlantic Treaty Organization (NATO) met in Brussels December 1-2, 1988. The United States was represented by Secretary of Defense Frank C. Carlucci III. Following is the text of the final communique issued December 2.

1. The Defense Planning Committee of the North Atlantic Treaty Organization met in ministerial session in Brussels on 1st and 2nd December 1988.

2. We reaffirmed our commitment to preserve the peace, freedom and common security of the Alliance through effective deterrence and defense and, on this basis, to pursue our arms control objectives of enhancing security and stability at lower levels of forces. Only by maintaining adequate military strength and political solidarity will we be able to continue to meet with confidence the challenge of the new opportunities for dialogue and broader cooperation with the East, including arms control.

3. In this respect, we welcome and are encouraged by the signs of change in the policies of the Soviet Union, under the leadership of Mr. Gorbachev, and of some other members of the Warsaw Pact. These offer the potential for improved and progressively more stable East-West relations. However, the Soviet Union, despite its declared intention of moving towards a defensive doctrine, maintains a formidable array of nuclear and conventional forces. These continue to be modernized at a steady and impressive rate and are structured and deployed for offensive operations. We have, as yet, seen no evidence of relaxation in the scale of the Soviet Union's military effort which continues to absorb an estimated 15 per cent to 17 per cent of its GNP and remains the reality against which we must measure our own defenses. We, therefore, call upon the Soviet Union to make changes in its military capabilities consistent with its declared policies.

4. Central to our discussions has been the need for all Alliance members to share equitably the roles, risks and responsibilities, as well as the benefits, of our collective defense. This fundamental principle was the basis for the preparation of a wide-ranging and major report on enhancing NATO's collective security. This report, which we have agreed and which has been published, addresses the perceptions and realities involved in the fair sharing of the burdens and the benefits of Alliance membership. It concludes that, as the Alliance approaches its 40th anniversary, its strength and cohesion remain as firm as ever with major contributions being made

by both the European and North American pillars of the Alliance. Nevertheless, the report has also shown that there are significant variations among countries in the scale and nature of their contributions and has identified a number of areas where further improvements could be made to strengthen the Alliance's defense capability.

5. The report emphasizes the need to provide adequate resources for defense and to use them as efficiently as possible. Our decisions on the rebasing and common funding arrangements for the United States' 401st Tactical Fighter Wing in Italy in continued support of the Southern Region, and the co-operative effort leading to the establishment of a NATO Composite Force for the Northern Region are two recent examples of our collective resolve in this respect. In addition, we have agreed that a study should be undertaken by the NATO Military Authorities with the countries concerned on how to enhance the effectiveness and availability of operational capabilities of the European forces in the Northern Army Group area which will examine the feasibility of forming a multinational division. The report also concludes that sustained public support for defense and security will continue to be of fundamental importance. In this context, we considered the problem of how to ensure that our forces continue to receive the necessary level of training while seeking to minimize the impact on our publics. We are determined to meet fully the demanding challenges identified by the report. We will periodically review progress as part of our regular planning process.

6. At the recent meeting of the Nuclear Planning Group in The Hague, we expressed our views on the nuclear requirements of Alliance strategy and on the work underway to ensure the continued credibility of NATO's nuclear deterrent posture. At our present meeting, we concentrated attention on conventional forces and, in this context, reaffirmed our commitment to enhance the effectiveness of this equally essential component of our strategy. Our discussion of the Annual Defense Review underlined that the aims we defined under the Conventional Defense Improvements (CDI) initiative remain crucial, particularly in the present era of constrained defense resources. We welcomed the further progress that has been made towards redressing key deficiencies in our conventional forces, which has been achieved in part by applying our resources with greater efficiency to the agreed priority areas; although we noted that much more remains to be done. In this context, we agreed that it is essential that countries make every effort to meet those force goals most relevant to CDI.

¹See Department of State Bulletin of January 1988, p. 3, "National Success and International Stability in a Time of Change," December 4, 1987, before the World Affairs Council of Washington, D.C.; Department of State Bulletin of June 1988, p. 18, "The Winning Hand: American Leadership and the Global Economy," April 28, 1988, before the annual dinner of the Massachusetts Institute of Technology, Washington, D.C.; and Department of State Bulletin of January 1989, p. 6, "The Ecology of International Change," October 28, 1988, before the Commonwealth Club of California, San Francisco. ■

7. We adopted the NATO Force Plan for 1989-1993, and we reaffirmed our commitment to maintain, and where necessary augment, the momentum of the CDI programme and thus redress existing shortfalls. This is an important challenge to the Alliance: we must seek not only to increase the resources available for defense but also obtain greater value for the money we devote to defense. To this end, we are determined to further our concerted efforts towards increased co-operation in order to achieve collective improvements which are beyond the resources of individual countries.

8. We welcomed the progress being made in the participation of Spain in Alliance defense planning and the approval of the guidelines for the development of coordination agreements between the Major NATO Commanders and the Spanish Military Authorities for Spain's military contribution to the common defense outside the integrated military structure.

9. We stressed the need to enhance Alliance efforts to increase the overall level of assistance to Greece, Portugal and Turkey. In this respect, Military Assistance Requirements which we have introduced into our defense planning process this year will focus attention on the specific needs of these countries. We welcomed the examination that is now in hand of assistance through research and cost-sharing arrangements within armaments projects, and we look forward to early results. We will continue to explore, in the context of fair sharing of roles, risks and responsibilities in the Alliance, opportunities that such arrangements might offer for broadening the basis of assistance.

10. We noted with particular satisfaction that the trial of a NATO Conventional Armaments Planning System (NATO CAPS) is proceeding well. We reaffirmed our commitment to the success of this important Alliance initiative. The Alliance has continued its work in a range of co-operative armaments projects, including those being pursued as a result of United States legislation. These endeavors, conducted on the basis of fair and equitable trade practices among all the Allies, have the potential to improve substantially efficiency and economy in equipping our conventional forces, thus contributing to Alliance strength, cohesion and solidarity. We continue to attach great importance to the sharing of technology among the member countries of the Alliance and to the protection of militarily relevant technology.

11. Concluding our regular Biennial Review of the NATO Common Funded Infrastructure Programme, we agreed an initial commitment to the first two years (1991 and 1992) of the next six-year Slice Group which will be sufficient to maintain the current real rate of NATO infrastructure programming. In this context, we agreed to provide additional funding for the NATO Common Infrastructure Pro-

gramme to accommodate the relocation of the United States' 401st Tactical Fighter Wing from Spain to Italy.

12. Arms control is an integral part of our security policy. We reaffirmed that we will continue to explore all opportunities, consistent with our security requirements, for effectively verifiable arms control agreements. In Europe the conventional disparities, as evidenced in the facts and figures on conventional forces published by the Alliance on 25th November, remain at the core of our concerns, and this field offers the greatest potential for enhancing security. Our objective is to establish a secure and stable balance of forces at lower levels through the elimination of disparities and, as a matter of priority, the Warsaw Pact capability for launching surprise at-

tack and initiating large-scale offensive action. We, therefore, look forward to the early commencement of Conventional Stability Talks covering Europe from the Atlantic to the Urals following a substantial and balanced outcome to the Vienna Follow-up Meeting of the Conference on Security and Co-operation in Europe. Until then the MBFR [mutual and balanced force reductions] negotiations will continue.

13. We remain determined to sustain our efforts to provide the necessary nuclear and conventional forces of sufficient quantity, quality and diversity to ensure the continued credibility of the Alliance's strategy of flexible response and forward defense. ■

North Atlantic Council Session Held in Brussels

Secretary Shultz attended the regular semiannual session of the North Atlantic Council ministerial meeting in Brussels December 8-9, 1988. Following are the texts of a statement on conventional arms control, the final communique, extracts from the minutes of the meeting, and Secretary Shultz's news conference held at the end of the meeting.

STATEMENT ON CONVENTIONAL ARMS CONTROL, DEC. 8, 1988¹

1. In their statement "Conventional Arms Control: The Way Ahead," the Heads of State and Government participating in the meeting of the North Atlantic Council in March 1988 emphasized that the imbalance in conventional forces remains at the core of Europe's security concerns. We shall be presenting specific proposals at the negotiating table to redress this imbalance.

2. We look forward to the early commencement of the two negotiations we have proposed: one on conventional stability between the 23 members of the two military Alliances in Europe and one on confidence- and security-building measures among all 35 signatories of the Helsinki Final Act.

3. In these negotiations, we will be guided by:

- The conviction that the existing military confrontation is the result, not the cause, of the painful division of Europe;

- The principle of the indivisible security of all our nations. We shall reject calls for partial security arrangements or proposals aimed at separate agreements;

- The hope that the new thinking in the Soviet Union will open the way for mutual agreement on realistic, militarily significant and verifiable arrangements which enhance security at lower levels.

Towards Stability

4. The major threat to stability in Europe comes from those weapons systems which are capable of counting large-scale offensive operations and of seizing and holding territory. These are, above all, main battle tanks, artillery and armored troop carriers. It is in these very systems that the East has such a massive preponderance. Indeed, the Soviet Union itself possesses more tanks and artillery than all the other members of the Warsaw Pact and the Alliance combined. And they are concentrated in a manner which raises grave concerns about the strategy which they are intended to support, as well as their role in maintaining the division of Europe.

5. The reductions announced by the Soviet Union are a positive contribution to correcting this situation. They indicate the seriousness with which the conventional imbalances, which we have long highlighted as a key problem of European security, are now also addressed by the Soviet government. We also welcome the declared readiness of the Soviet Union to adjust their force posture. The important thing is now to build on these hopeful developments at the negotiating table in order to correct the large asymmetries that will still remain and to secure a balance at lower levels of forces. For this, it will be necessary to deal with the location, nationality and the state of readiness of forces, as well as their numbers. Our proposals will address these issues in the following specific ways:

- We shall propose an overall limit on the total holdings of armaments in Europe. This limit should be substantially lower than existing levels, in the case of tanks close to a half. This would mean an overall limit of about 40,000 tanks.

- In our concept of stability, no country should be able to dominate the continent by force of arms. We shall, therefore, also propose that no country should be entitled to possess more than a fixed proportion, such as 30 percent, of the total holdings in Europe of the 23 participants in each equipment category. In the case of tanks, this would result in an entitlement of no more than about 12,000 tanks for any one country.

- Limiting numbers and nationality of forces would not by itself affect the stationing of forces on other countries' territory. Stationed forces, particularly those in active combat units, are especially relevant to surprise attack. We shall propose limits on such forces.

- Our proposal will apply to the whole of Europe. In order to avoid undue concentration of these weapon categories in certain areas of Europe, we shall propose appropriate sub-limits.

6. To buttress the resulting reductions in force levels in the whole of Europe, we shall propose stabilizing measures. These could include measures of transparency, notifications and constraint applied to the deployment, movement and levels of readiness of conventional armed forces, which include conventional armaments and equipment.

7. Finally, we shall require a rigorous and reliable regime for monitoring and verification. This would include the periodic exchange of detailed data about forces and deployments and the right to conduct on-site inspections.

Towards Transparency

8. Greater transparency is an essential requirement for real stability. Therefore, within the framework of the CSCE [Conference on Security and Cooperation in Europe] process, the negotiations on confidence- and security-building measures form an essential complement to those on conventional stability. We are encouraged thus far by the successful implementation of the Stockholm Document, and we consider that the momentum must be maintained.

9. In order to create transparency of military organization, we plan to introduce a proposal for a wide-ranging, comprehensive annual exchange of information concerning military organization, manpower and equipment, as well as major weapon deployment programs. To evaluate this information, we will propose modalities for the establishment of a random evaluation system.

10. In addition, in order to build on the success of the Stockholm Document and to create greater transparency of military activities, we will propose measures in areas such as:

- More detailed information with regard to the notification of military exercises;
- Improvements in the arrangements for observing military activities;
- Greater openness and predictability about military activities;
- A strengthening of the regime for ensuring compliance and verification.

11. Finally, we shall propose additional measures designed to improve contacts and communications between participating states in the military field; to enhance access for military staffs and media representatives; and to increase mutual understanding of military capabilities, behavior and force postures. We will also propose modalities for an organized exchange of views on military doctrine tied to actual force structures, capabilities and dispositions in Europe.

A Vision for Europe

12. We will pursue these distinct negotiations within the framework of the CSCE process, because we believe that a secure peace cannot be achieved without steady progress on all aspects of the confrontation which has divided Europe for more than four decades. Moreover, redressing the disparity in conventional forces in Europe would remove an obstacle to the achievement of the better political relationship between all states of Europe to which we aspire. Conventional arms control must, therefore, be seen as part of a dynamic process which addresses the military, political and human aspects of this division.

13. The implementation of our present proposals and of those we are making for further confidence- and security building measures will involve a quantum improvement in European security. We will wish to agree and implement them as soon as possible. In the light of their implementation, we would then be willing to contemplate further steps to enhance stability and security in Europe, for example:

- Further reductions or limitations of conventional armaments and equipment;
- The restructuring of armed force to enhance defensive capabilities and further reduce offensive capabilities.

Our vision remains that of a continent where military forces only exist to prevent war and to ensure self-defense not for the purpose of initiating aggression or for political or military intimidation.

FINAL COMMUNIQUE, DEC. 9, 1988²

1. Our meeting has taken place amid clear signs of change in the internal and external policies of the Soviet Union and of some of its allies. Promising prospects are opening up for an improved East-West dialogue. We are encouraged by this trend which, if sustained, would provide us with an unprecedented opportunity to shape a better international environment reflecting our basic values and the aspirations of our peoples.

Among the most promising recent developments is the address made by President Gorbachev at the 43rd UN General Assembly, which indicates the extent of change in Soviet policies.

We will continue to seize every opportunity to co-operate in the search for political solutions to East-West differences, with a view to promoting our ultimate aim of a just and lasting peaceful order in Europe.

2. In the pursuit of this endeavor, we look for further tangible and lasting changes addressing directly the issues dividing East and West. We reiterate our willingness to work closely with the Soviet Union and its allies in the search for ways to ease and finally overcome the painful division of Europe.

We will continue to evaluate closely the current developments in Eastern Europe, where pressures for movement towards political and economic reform are mounting. While welcoming progress achieved in certain areas, we need to take a realistic view of developments. The Soviet Union and other Eastern countries still have to meet fully their obligations on human rights. Nevertheless, we are encouraged by the recent introduction or announcement of important measures in this field. In the defense area, we express the hope that President Gorbachev's address also represents the starting point of a new approach by the Soviet Union to the size and structure of their military forces and programs, which both in the nuclear and conventional fields still exceed any reasonable defense need.

3. Our approach to these developments will continue to be based on:

- The validity of the Harmel Report with its two complementary and mutually reinforcing principles, adequate military strength and political solidarity and, on that basis, the search for constructive dialogue and co-operation, including arms control;

- The common interests, as well as the historical, cultural and moral values, that tie the United States, Canadian and European members of our Alliance indivisibly together; these are at the basis of the commitment of the North American democracies to the preservation of peace and security in Europe. A free, independent and increasingly united Europe is vital to North America's security;

- The continuing validity of our strategy of deterrence for the prevention of war in the terms set out in the declaration of our Heads of State and Government at their Summit Meeting of March of this year;

- Our firm resolve to maintain the strategic unity of the Alliance and the principle of indivisibility of security.

4. The security policy of the Alliance embraces a broad spectrum of political as well as military concerns. We attach particular importance to the CSCE process, which provides a road map for stable and constructive relations between East and West and for a dynamic evolution in Europe. We note with regret that a number of

governments in the East still continue to ignore important provisions of the Helsinki Final Act and the Madrid Concluding Document; full implementation of the undertakings contained in these documents, including full respect for human rights, is an essential requirement for genuine peace and enhancement of mutual confidence. We will continue to strive for the conclusion of the CSCE Follow-Up Meeting in Vienna in the immediate future, with a substantial and balanced concluding document.

5. Arms control is an integral part of Alliance security policy. In expressing full support for the United States position in the START [strategic arms reduction talks] negotiations, i.e., its aim to reach a 50 percent reduction in the strategic nuclear forces of the US and the Soviet Union, we welcome the substantial progress achieved, including preliminary agreement on key elements, and look forward to a timely, successful conclusion of these negotiations. We reaffirm the importance of the INF [Intermediate-Range Nuclear Forces] Treaty and welcome its smooth implementation. We also take note of progress towards the early ratification of the Peaceful Nuclear Explosions Treaty and the Threshold Test Ban Treaty as a result of the negotiations on the verification protocols to these treaties.

6. We recall the document on conventional arms control issued by the Heads of State and Government in March of this year, which indicated that the conventional imbalance in Europe remains at the core of Europe's security concerns.

We look forward to beginning as soon as possible conventional stability negotiations, within the framework of the CSCE process, with the objective of establishing a secure and stable balance of forces at lower levels, between the 23 members of the two military Alliances in Europe. We want a situation in Europe in which force postures, as well as numbers and deployments of weapons systems, no longer make a surprise attack and a large-scale offensive action a feasible option, an option which we have never possessed or desired. Our vision remains a continent where military forces should only exist to prevent war and to ensure self-defense, not for the purpose of military aggression and not for the purposes of political or military intimidation. We, therefore, welcome the latest pronouncement by the Soviet leadership regarding significant reductions of Soviet conventional forces in Europe and restructuring of the remaining forces. This implicitly acknowledges our long-held view that redressing the conventional imbalance is a key to more security and stability in Europe. Implementation of these measures would be a very important first step in this direction and reduce, but not eliminate, the conventional imbalances. In particular, it would provide a very favorable impetus to the conventional stability negotiations.

The conventional stability talks will be accompanied by distinct negotiations on further confidence-building measures

among the 35 CSCE participants. Such negotiations will have to build upon and expand on the results of the Stockholm Conference, which marked a significant step towards increasing transparency and contributed to greater confidence and predictability of military activities in Europe. To promote transparency and confidence, we have recently taken the initiative of publishing data on conventional forces in Europe. We look to the countries of the Warsaw Pact Organization and other participating states to reciprocate this effort.

Recognizing the urgency and central importance of addressing conventional stability and increased confidence in Europe, we have adopted a separate statement outlining our proposal for the forthcoming negotiations on conventional stability and further confidence- and security-building measures in Europe.

The member states participating in the MBFR [mutual and balanced force reductions] talks emphasize their agreement to the continuation of these talks until a new mandate for negotiations on conventional stability has emerged. They also agree that these talks should be concluded before the start of new negotiations.

7. We reiterate our full commitment to the goal of an early conclusion of a truly world-wide, comprehensive and effectively verifiable ban on chemical weapons.

In that spirit, we endorse the call for a conference in Paris of the states party to the 1925 Geneva Protocol and other concerned states. We will lend our full support to its work. We expect that the conference will strengthen the authority of the Protocol and of principles prohibiting the use of chemical weapons, recall the condemnation by the international community of the recourse to these weapons and give a strong further impetus to the negotiations on a total and effectively verifiable ban on chemical weapons.

The solution of the outstanding issues in the negotiations at the Geneva Conference on Disarmament will not only require greater openness about capabilities in order to promote more confidence between the participating states but also the intensification of the technical work, in particular on the crucial issue of verification, needed to underpin the negotiating effort. In the perspective of a chemical weapons ban, we also underline the importance of stringent controls on the export of commodities related to chemical weapons production. Such a ban is all the more imperative as a priority at a time of reports of use of these weapons against civilians and continuing proliferation in various parts of the world.

8. As called for in the Ministerial statement issued in June 1988 in Madrid, we received a written report on the further development of the comprehensive concept of arms control and disarmament. We reviewed the state of work and welcomed the progress achieved to date.

The Council in Permanent Session was directed to pursue intensively, in the perspective of the comprehensive concept, its consideration of all outstanding arms control issues, in accordance with the Reykjavik statement of June 1987 and to submit a complete report by our next meeting.

9. We reaffirm our commitment to share fairly the risks, burdens and responsibilities, as well as the benefits, of our participation in the Alliance. This commitment to equitable sharing is a fundamental principle of the Alliance and a prerequisite for maintaining its cohesion and solidarity. We all attach great importance, in an evolving political, trade and economic environment, to maintaining balance and equity in our partnership.

The countries concerned welcome the publication of a major and wide-ranging report on enhancing the collective security of the Alliance. It breaks new ground, and its conclusions and recommendations chart a clear course of action for the future. The report also underlines the determination of the countries concerned to ensure the provision of adequate resources available for defense and to exert the maximum effort to obtain the greatest return on their defense investment.

10. The maintenance of a calm situation in and around Berlin and the achievement of practical improvements for Berliners remain of fundamental importance for East-West relations. In this context, the Alliance strongly supports the current Western initiative on Berlin. It welcomes progress over Berlin's inclusion in international agreements.

The Alliance supports the continued efforts of the Federal Republic of Germany to strengthen dialogue and co-operation with the GDR [German Democratic Republic] in the interest of the German people, including Berliners, and thus to contribute to peace and stability in Europe.

11. We continue to follow closely the situation in Afghanistan. We previously noted the start of the Soviet troop withdrawal and expect the Soviet Union to resume that process and to meet the 15th February deadline. We support the aspiration of the Afghan people to exercise their right to self-determination and to recover their country's full sovereignty and independence.

12. We reiterate our condemnation of terrorism in all its manifestations and reaffirm our determination to combat it. We believe international co-operation to be essential in the eradication of this scourge.

13. In the spirit of Article 2 of the North Atlantic Treaty and in view of the prosperity gap among the various members of the Alliance, we renew our support for our economically less favored partners and reaffirm our goal of improving the present level of co-operation and assistance within the Alliance.

14. We note and welcome the approval of the guidelines for the co-ordination agreements to be concluded between the Major NATO Commanders and the Spanish Military Authorities. We consider this to be an important event for the Alliance. It opens the way to a significant Spanish military contribution to the common defense outside the integrated military structure.

15. We agree that civil emergency planning and preparedness are essential elements in NATO's policy of deterrence and defense. The human and financial resources required for civil preparedness constitute a cost-effective contribution to that policy, as well as to the efficiency of peacetime disaster relief arrangements. Civil emergency planning remains a responsibility of member countries. To be fully effective, the actions of the countries in this field must, however, be complemented by the maximum co-operation between capitals and at Alliance level.

16. As our Alliance approaches its 40th Anniversary, we acknowledge the results of our common endeavor, the enduring vitality of our organization and its ability to adapt to change while upholding its basic purposes and principles. The success of our past efforts to achieve a safer and more peaceful world enhances our confidence in the future.

17. The Spring 1989 meeting of the North Atlantic Council in Ministerial Session will be held in London on 8th and 9th June.

EXTRACTS FROM THE MINUTES, DEC. 9, 1988³

In addition to the Communique, Foreign Ministers decided to publish the following extracts from the Minutes of their meeting in Brussels on 8th and 9th December 1988.

East-West Trade

Recalling previous statements, Ministers reaffirmed that trade conducted on the basis of commercially sound terms and mutual advantage, that avoids preferential treatment of the Soviet Union, contributes to constructive East-West relations. At the same time, bilateral economic relations with the Soviet Union and the countries of Eastern Europe must remain consistent with broad Allied security concerns. These include avoiding dependence on the Soviet Union or contributing to Soviet military capabilities. In order to avoid further use by the Soviet Union of some forms of trade to enhance its military strength, the Allies will remain vigilant in their continuing review of the security aspects of East-West economic relations. This work will assist Allied governments in the conduct of their policies in this field.

As the issue of East-West trade is of importance, the Allies will continue exchanges on this subject.

The Situation in the Mediterranean

Ministers noted the report on the Situation in the Mediterranean. In view of the actual and potential impact on Alliance security of events in the area, they requested the Council in Permanent Session to continue to consult on the question and to submit further reports at their future meetings.

Armaments Co-Operation and Planning

Ministers examined the report by the Conference of National Armaments Directors (CNAD). They noted with particular satisfaction that the trial of a NATO Conventional Armaments Planning System (CAPS) is proceeding well, and they reaffirmed the great importance they attach to this major Alliance initiative.

Ministers reviewed CNAD progress in a range of co-operative armaments projects, including those being pursued as a result of United States legislation, and welcomed the positive contribution made by these co-operative projects to the maintenance of a credible conventional defense posture.

Ministers noted with interest that the CNAD is examining Canadian proposals for assistance to countries with lesser developed defense industries, by means of research and development, cost-sharing arrangements within co-operative arms projects. They looked forward to receiving firm recommendations from the CNAD in this area at the earliest opportunity.

SECRETARY'S NEWS CONFERENCE, DEC. 9, 1988¹

The atmosphere for our just concluded meeting here in Brussels has been sobered by the earthquake in the Caucasus affecting people mostly in Armenia, the full dimensions of which we still are learning, and by the airplane crash in Germany in which there have been several casualties. I want to express my deep sympathy to all affected. These are tragedies we all feel and we extend our sympathy and want to be as helpful as we possibly can be.

This is my last NATO ministerial after a great many over a 6½-year period; somebody counted up that I'd been to Brussels over 30 times and had ministerials elsewhere and lots of individual meetings. I've been very moved by the warm words that have been expressed by my colleagues during the course of our meetings and at the end And I reciprocate these sentiments of friendship and respect.

The alliance, it seems to me, is in a very strong position. It's cohesive, it's formed about what is taking place, and it's informing our publics. We look forward to the prospect of conventional arms talks, which we have long sought, in the concept of the Atlantic to the Balkans. And we look to those with confidence on the basis of a constructive and creative proposal which we are prepared to make as soon as the talks start. You've had an indication as to what that proposal will be, distributed yesterday.

I take a lot of personal satisfaction as a citizen of the free world that this great anchor for the security of the free world is strong and in place, moving forward with strength and optimism to the coming agenda ahead of us.

Q. I wonder whether you would agree with the sentiments expressed by the West German Foreign Minister yesterday that one effect of the Gorbachev initiative announced in New York was to "make the question of nuclear arms modernization even less interstage in the alliance than it already was"?

And secondly, if I might take the opportunity of your presence to ask you whether you personally have any comment to make on the latest unprovoked military aggression of Israel to Lebanon which appears to be adding to substantial fighting south Beirut.

A. First of all, on the proposals at Mr. Gorbachev made in his speech in New York, they are very welcome proposals. Of course, you can see why, when you look at these extensive documents and in particular the one on conventional Forces in Europe: The Facts." And I'm sure you've looked at the facts. We welcome these decisions and what will happen over a 2-year period. They will be significant, they'll make a difference, but they leave the situation still very asymmetrical, and we shouldn't forget that.

Let me just read you the numbers which somebody computed from just looking at these factual things. The current status on divisions has an asymmetry of 2.99 on their side to 1 on our side. After the reductions that Mr. Gorbachev announced, the ratio will be 2.91 on their side to 1 on our side.

When it comes to tanks, the ratio is 2.76 on their side to 1 on our side. After the reductions it's 2.18 on their side to 1 on our side.

When it comes to artillery, 2.30 to 1; after the reductions, 1.74 to 1. Combat aircraft: 3.20 to 1 now; 3 to 1 after the reductions.

So you can see why the reductions are welcome, but it seems to me you can also see why the fundamental asymmetry that's there remains. And that is why it seems to me, and to us I think in NATO, that we look forward to the conventional arms talks that will be getting going. And we have put forward a really constructive and creative proposal—or we are ready to and you've seen the outlines of it—and that's what we need to do.

In the meantime, NATO has developed and depended upon and found very successful a means of deterrence that has kept the peace based on our capacity to have a flexible response to whatever may happen. In maintaining our posture, obviously we have to maintain, as we have said in our communiqués, forces that are up to date. We want to continue to have all of those options before us. Modernization has been going on, and we have to continue to work at it.

Now as far as your second question about the Israeli forces in Lebanon, I have just heard that that is so moments before I came in here. It's a surprise to me. And I'll just have to learn more about it before I make any comment about it. But I had thought by this time the Israelis would have learned their lesson about putting troops well inside of Lebanon. It didn't work before, and I am surprised. But I don't know enough about it to comment in any definitive way.

Q. Looking at the communique today, there are two topics that are quite noticeably not mentioned. One is troop levels in Europe. I wonder why that is not mentioned considering the stress that Mr. Gorbachev put on it. The second is the possible modernization of the Lance missiles, which is certainly a hot topic among the alliance, yet the communique does not reflect that debate at all. Can you tell us why?

A. As far as troop levels are concerned, we have tried to learn something from the long period of negotiations in the MBFR talks and to say: Now we are going to go about conventional talks in new form, and let us think hard about what is likely to work and give us some results that mean something and have a better chance of being verifiable so that we don't argue

U.S.-Greek Defense Agreement Expires

DEPARTMENT STATEMENT,
DEC. 16, 1988¹

The 12th round of negotiations concerning future bilateral defense cooperation between the United States and Greece concluded today in Athens.

As is known, the 1983 Defense and Economic Cooperation Agreement between the United States and Greece expires on December 20, 1988, and, in accordance with its terms, on that date, a 17-month withdrawal period begins during which the terms and conditions of the agreement remain in force.

Negotiations concerning future bilateral defense cooperation between the two countries began in November 1987 and have been conducted in a serious and professional manner. They have covered the various aspects of a new agreement. Important differences remain on many issues, but the negotiations are not at an impasse.

Negotiations will, therefore, go on during the 17-month withdrawal period in order to continue exploring possibilities for reaching a mutually satisfactory new agreement. The next round of negotiations will take place in January 1989.

¹Read to news correspondents by Department spokesman Charles Redman. ■

interminably as we did in MBFR about data. And I think we concluded that if you talk about tanks and you talk about armored personnel carriers and things of that kind, you are in better shape. If you restrict those weapon systems that carry people forward and take ground, then the personnel question, in a way, kind of takes care of itself. It's not that we are not interested in it, but we think the emphasis should be placed elsewhere. And in doing so we think that we have learned something from the long efforts in negotiation in MBFR. That's the reason for that.

As far as the Lance missile is concerned, there is no need for a discussion or deployment kind of decision to be reflected in any document today. It's something that needs to be developed so that the possibility, the option of doing so, and the intention of doing so is

present for the future. That's all that's involved there, and the funding for the engineering work on the follow-on to Lance is something that will be in the President's budget, no doubt, as he submits it to Congress. That's the stage that it's in, so it isn't in an operational stage at this point. But I think everyone is committed to the idea that we have to keep our weapons systems up to date. And our doctrine, which has been successful, includes the notion of flexible response.

Q. You've had a unique opportunity for a perspective of the changing nature of U.S.-Soviet relations over a 6½ year period, and I am sure you must take some satisfaction in the changing nature that has actually taken place. Could you give us your assessment—I'm sure that you don't like the notion of the idea that the cold war is dead—but your assessment as to the likelihood of a war in Europe today as opposed to 6½ years ago when you began to be Secretary of State?

A. Contrary to what you said, I do like the notion that the cold war is dead, and I wish, I hope, it's so. There is still tension. There are still varieties of interest. There's still these big force structures that are there. The Berlin Wall is still there. If there is any single symbol of the cold war, that's it. So these problems are still there, but there has been a huge change in the capacity of the United States and the Soviet Union, of the East and the West broadly, to look at problems and to discuss them in a careful and constructive way and to do something about them.

Whether you are talking about issues of arms control, whether you're talking about regional hot spots, whether you're talking about the human rights dimensions as outlined in the Helsinki Final Act, or whether you're talking about the variety of bilateral relationships that exists between the countries involved—all of these things are different now than they were. And I believe they are different in a good direction, a positive direction, a direction that gives a little more confidence; and I think that is very, very good. And to the extent that I've had an opportunity to be a part of it, I'm very grateful for having that opportunity and proud of it. I think that what people want to do as they move forward, and I'm sure they do want to do, is to keep these positive developments going and realize all of the opportunities that there are before us.

But at the same time, we have to keep remembering what, from our side, has helped anyway to bring all this about. It has been the cohesion of the alliance and our capacity to defend ourselves and, therefore, to deter any aggressive intent against us. That has kept the peace, and that has kept us in the position to have these negotiations and have them go forward successfully. If there is any lesson, that is the lesson; and so I think we want to stick with a formula that's worked and to continue on and try to see more positive developments to go with those we've seen, particularly since Mr. Gorbachev came into view in the Soviet Union.

Q. Three or four days ago, the Greek Government had liberated a Palestinian whose extradition was asked by Italy in order to be judged in this country for the terrorist bomb attack in the synagogue of Rome in 1982. At a time when intensified international organization is needed to fight against terrorism, what is Washington's position as far as the Greek Government's handling of this affair is concerned? And do you have any fears that the same will happen in the case of another suspected Palestinian terrorist named Rashid whose extradition the U.S. Administration has already asked from the Greeks?

A. I think the release of the terrorist that you mentioned is shocking, and it is a blow against the fight on terrorism. Terrorism is a threat to our societies, and we can't mince words or in any way shirk the actions that we have to take to deal with it unequivocally. This release is bad from that standpoint, and I'm shocked by it. I hope that Mr. Rashid is—that they do allow him to be extradited to the United States. He should stand trial as we, in our civilized societies, try to work against terrorism, among other means, by applying the rule of law, which is being applied.

It's an Italian court that found Mr. Abu Abbas guilty of murder involving the *Achille Lauro* and Mr. Klinghoffer. It's a French court that has found Mr. Hawari guilty in the things that they identified, and there are many other court actions: the British court in the case of the Syrian incident—one that didn't take place because they were alert. So we apply the rule of law in these cases, and we do other things, but when a known terrorist like this is released, it's shocking. I can only have a sense of great disappointment and a kind of outrage about it.

Q. President Gorbachev's proposed unilateral cuts were given a time scale of 2 years. What sort of time scale have you in mind for the NATO proposals to get a 50% reduction? Is it 2 years in that case, too, from the start of negotiations?

A. First, obviously, we have to get the negotiations going, and this is our proposal. It's a very interesting and creative proposal, I think, and if it is accepted, it will do a great deal for the situation in Europe—and the world generally, for that matter. First, we have to see whether or not the Soviets and the Warsaw Pact countries will agree to it. If it is agreed to, it calls for rather large-scale reductions, and people will want to work out what kind of phasing is appropriate for such large-scale reductions. They are reductions that would be considerably more—a lot more—than those that have been decided upon by Mr. Gorbachev.

As I understand it, incidentally, it's not a proposal. It's a decision about what they are doing. I have been listening to the military experts talk about it, and they think a 2-year period to accomplish those results is going at it at a pretty good pace. We'll just have to see. But the first thing is to get agreement on the proposals, and then we'll have to see how they would spin out over a period of time.

Q. What obstacles remain to the commencement of conventional stability talks in Vienna? And will you, the United States, accept a conference on human rights in Moscow at some time in the next 3 years as part of the CSCE process?

A. As far as the conventional matter is concerned, it is not totally nailed down but is pretty close to it, and I think that basically, that will fall into place pretty well. Of course, Vienna has in it many other subjects, and we and the Soviets in general have all agreed that there must be a balanced outcome—not just an outcome that's satisfactory on conventional arms—and human rights is a central aspect of that balance. We have been making a great deal of headway in that regard.

The Soviet Union, as Mr. Gorbachev described in his speech, has concluded that the internal reforms that they feel are essential—and I can well understand their reasoning in that regard—depend upon changing the relationship of the state to its citizens and its citizens to each other in ways that

hey've described and ways that move very much toward the kind of human rights arrangements that we think are the right ones and that are described in the Helsinki Final Act.

Having said that, we have set out very clearly to the Soviet leadership the things that we think are essential, and quite a few of them—most of them—have fallen into place—essential, that is, to have us be comfortable in a human rights conference in Moscow. So we hope that this will all fall into place as we move on. We are working at it very hard to do everything we can to have that be so, but we aren't there yet, so I always have to reserve until we see. But there has been a huge amount of headway made, and I think the picture now is drastically different than it was only a few years ago—not only in the substance but in the ability of people to talk about it and to go through individual cases and go through ideas and talk about elements of the criminal code and constitutional arrangements in a constructive way. I feel encouraged, but we're not there yet.

Q. Do you feel that the Gorbachev decision will, in fact, present the danger of diminishing the public perception in Europe of the Soviet threat and thereby stiffen resistance to not only nuclear modernization but also military spending programs in general?

A. People keep saying that, and people keep asking that same question, and so obviously it is a problem on people's minds. I think, from our standpoint, it's good to raise the issue so that it can be dealt with. I've tried to deal with it, as others, by pointing out that we welcome this development. We welcome it because the asymmetries are so great, and this reduces the asymmetries. I don't want to read from this piece of paper all over again, but the asymmetries are still very great and they still remain, so we have a lot to do. While we are looking toward, we hope, a successful conventional arms negotiation, the way to insure you are successful is to maintain your capability while you're doing the negotiating. And I think if our recent experience brings us anything, it brings that out. So this is something that we need to do, and I think people are entitled to feel—and should feel—encouraged by what is taking place. I certainly do. But being encouraged doesn't mean that you just go bananas and forget about what got you here. And so you want to keep doing the things that are constructive.

Q. As a followup to the last question and your answer, are you concerned about the ability of yourselves—Washington—to maintain its troop strength in Europe in the light of the euphoria that could be created, or perhaps is being created, as a result of Mr. Gorbachev's statement?

A. I think the commitment in the United States to NATO—and the recognition that it involves a presence here—that commitment is a deep commitment. And that is so as far as the outgoing President is concerned; it's so as far as the incoming President is concerned; it's so as far as the Congress and the leadership of Congress. And as far as public opinion polls in the United States are concerned, it shows a very, very high support for NATO, considerably higher than any other international undertaking the United States is involved in. So the support is solid.

There is always, of course, discussion of relative burdens and responsibilities, and I think that subject has been brought into some considerable focus and a deeper understanding of it. And I might say again, in this very productive period in the last few months, the report on "Shared Roles, Risks and Responsibilities in the Alliance" is very helpful. And I might say it teaches the United States something about what others are doing, as well as maybe others learning something about what we're doing. So the facts, I think, are very helpful here.

Q. You've called several times the Gorbachev decision significant, but I wonder if you would tell us what you think is behind the decision, whether you've been told there will be additional cuts?

Is there something tricky Mr. Gorbachev is up to? As you look down the road, do you anticipate any more of this from Gorbachev? I haven't heard anybody recently simply dismiss it as a public relations gesture, which is the way Gorbachev initiatives in the past have sometimes been dealt with by others. Can you ponder with us what might be behind it, and what's ahead?

A. I don't think it's good for me to speculate about motivations of the Soviet leadership. I'm more inclined to take it at face value, and at face value what you see are, in a sense, responses to the asymmetrical situation—an asymmetrical situation that has been of great concern to us. It is responsive to the comment that the Soviet forces are

positioned in a kind of offensive, aggressive way, so some of the things that are done are designed to deal with that question.

Certainly, you wouldn't want to sort of dismiss this as a propaganda ploy, because there is a great deal of important substance in it. And I think it's appropriate that I and others—the President last night—recognize that fact, as we did in our statement. At the same time, as I have said earlier, there's still plenty of room to go, and that's why we need this negotiation and why we look forward to this negotiation on conventional arms. I sat in New York and listened to the General Secretary give his address, of which this was a component part, and he had many other interesting things to say that were of a piece of this in the sense that his comments on human rights were very interesting, I thought, and his comments in the beginning of his speech that were, let's say, philosophic in nature.

I think people tend to look at some particular number or suggestion and focus on that as the key, but oftentimes it's more interesting to read what the man is saying philosophically because that may tell you more about where he's going. I thought those were interesting parts of his speech as well. It's a welcome development. What we need to do is to be able to look at something that is positive in the face and say so, and at the same time maintain our analysis of what the situation is and continue as we have with our own positive program of being able to defend our interests, on the one hand, and being ready to negotiate and work out arrangements that will allow us to do that at lower and lower levels of armaments. That's been the approach of NATO, the approach of the West. It's a good approach, we're continuing with it, and we are in a good position.

We have strong proposals, interesting proposals, that we're prepared to make; and when the opening gong starts at these new negotiations, NATO will be there, NATO will be ready with a good set of proposals. I hope that negotiations are very short and that the Soviets and their allies simply say, "Gee, those are good proposals from NATO, we agree." And then we can start worrying about such matters as the timing that we're asked about.

If that doesn't happen, presumably in this new atmosphere, it will be possible to come to agreement. And I think that that is one of the lessons, that it is

possible for them and it is possible for us, on a matter of genuine significance, to come to a point where we agree to do something of significance that takes us in a direction that we both want to go in. It's always, in a way, easy to show how strong you are and how you can disagree, and you're not afraid to take everybody on in sight, and so on. But I think it's also a mark of good progress to be able to say, "All right, here is something that's positive, and here is something we can agree on," and be willing to step up and say "yes," as well as to say "no." I hope that in the future, as we go on and as we see these proposals coming forward, there will be an increased capacity on their part, as well as ours, to say "yes."

¹NATO press release M-3(88)75.

²NATO press release M-3(88)76.

³Annex to NATO press release M-3(88)76.

⁴Press release 255 of Dec. 12, 1988. ■

40th Report on Cyprus

MESSAGE TO THE CONGRESS, DEC. 7, 1988¹

In accordance with Public Law 95-384, I am submitting to you this bimonthly report on progress toward a negotiated settlement of the Cyprus question.

I am pleased to note that the Cyprus intercommunal negotiating process is continuing under the auspices of UN Secretary General Perez de Cuellar. Numerous sessions were held in October and early November, and the Secretary General hosted a meeting in New York November 22-23 to review the progress of talks. I commend the Secretary General and the leaders of the two communities for their determination in striving for a solution to the conflict.

Special Cyprus Coordinator M. James Wilkinson visited Cyprus from October 24-26 and consulted with the parties, UN officials, and others. Mr. Wilkinson was encouraged by the willingness of the two Cypriot leaders to engage candidly with each other in a discussion of very difficult issues and problems. The numerous meetings held in September, October, and November attest to the fact that a committed effort is being made to listen, understand, and move toward resolution of serious differences. Mr. Wilkinson also reaffirmed our strong backing for the continuation of the intercommunal dialogue.

The United Nations hosted an open house in Nicosia on October 24, which brought together members of the Greek and Turkish Cypriot communities. We con-

tinue to encourage personal contact between members of the two communities, which helps to foster progress toward a lasting solution on the island.

Demonstrators on two occasions entered into the buffer zone. Such activities hinder UNFICYP's efforts to maintain the peace on the island and place the UN Force in a difficult position. We urge the Cypriot communities to cooperate fully with UNFICYP in the execution of its mandate from the UN Security Council.

I would like to reiterate my admiration and appreciation for the efforts of United Nations personnel in Cyprus, particularly the United Nations Force in Cyprus (UNFICYP). The Force remains an important factor in maintaining peace in Cyprus, providing an atmosphere of calm that permits the continuation of the search for a just and lasting solution to the dispute. Regrettably, the accumulated operating deficit for UNFICYP continues to grow. The UN Secretary General now estimates that the shortfall will reach \$167 million by the end of 1988. I join the Secretary General in urging the UN member nations to help reduce this deficit by contributing to the Force's operating budget.

Sincerely,

RONALD REAGAN

¹Identical letters addressed to Jim Wright, Speaker of the House of Representatives, and Claiborne Pell, chairman of the Senate Foreign Relations Committee (text from Weekly Compilation of Presidential Documents of Dec. 12, 1988). ■

J.S. Opens Dialogue With PLO

PRESIDENT'S STATEMENT,
DEC. 14, 1988¹

The Palestine Liberation Organization (PLO) today issued a statement in which it accepted UN Security Council Resolutions 242 and 338, recognized Israel's right to exist, and renounced terrorism. These have long been our conditions for a substantive dialogue. They have been met. Therefore, I have authorized the State Department to enter into substantive dialogue with PLO representatives. The Palestine Liberation Organization must live up to its statements. In particular, it must demonstrate that its renunciation of terrorism is pervasive and permanent.

The initiation of a dialogue between the United States and PLO representatives is an important step in the peace process and more so because it represents the serious evolution of Palestinian thinking toward realistic and pragmatic positions on the key issues. But the objective of the United States remains, as always, a comprehensive peace in the Middle East. In that light, I view this development as one more step toward the beginning of direct negotiations between the parties, which one can lead to such a peace.

The U.S. special commitment to Israel's security and well-being remains unshakable. Indeed, a major reason for our entry into this dialogue is to help Israel achieve the recognition and security it deserves.

SECRETARY'S STATEMENT,
DEC. 14, 1988²

The Palestine Liberation Organization today issued a statement in which it accepted UN Security Council Resolutions 242 and 338, recognized Israel's right to exist in peace and security, and renounced terrorism. As a result, the United States is prepared for a substantive dialogue with PLO representatives.

I am designating our Ambassador to Tunisia [Robert H. Pelletreau, Jr.] as the only authorized channel for that dialogue. The objective of the United States remains, as always, a comprehensive peace in the Middle East.

In that light, I view this development as one more step toward the beginning of direct negotiations between the parties which alone can lead to such a peace.

Nothing here may be taken to imply an acceptance or recognition by the United States of an independent Palestinian state. The position of the United States is that the status of the West Bank and Gaza cannot be determined by unilateral acts of either side but only through a process of negotiations. The United States does not recognize the declaration of an independent Palestinian state.

It is also important to emphasize that the U.S. commitment to the security of Israel remains unflinching.

Q. What was it today that changed your mind?

A. I didn't change my mind. They changed theirs—they made their statement clear, so that it doesn't have the ambiguities in it that earlier statements had which tended to allow various people to give different interpretations of what was meant.

Q. What was different about it today?

A. It was clear. It was not encumbered.

Q. What about the PLO's record, which only 2 weeks ago you described as a terrorism record? You called Arafat [PLO leader Yasir Arafat] an accomplice or an accessory to terrorism. You denied him a visa. Are you expunging the PLO record and saying "let bygones be bygones"?

A. No. When we have our dialogue, you can be sure that the first item of business on our agenda in that dialogue will be the subject of terrorism, and we'll make it clear that our position about the importance of the renunciation of terrorism is central.

Q. But what can a dialogue do about people who are already dead, and how does your statement bear on the promise Kissinger made the Israelis?

A. The promise that Kissinger made the Israelis—which had to do with [Resolutions] 242 and 338 and with the recognition of Israel's right to exist—since that time, we have added our insistence on a renunciation of terrorism.

Those conditions have been U.S. conditions for a dialogue with the PLO going back to 1975. Our position has not changed. We have stayed with that position consistently, and now today we have an acceptance of those conditions in a clear-cut way.

Q. Have you told the State of Israel of your intentions? And can you tell us what their response was?

A. Everybody has been put on notice repeatedly since 1975, in effect, that if the PLO meets our conditions, then we're prepared for a substantive dialogue. That is well known.

Of course, we have had communications with Israel, as we have with other states; and we have been engaged in the last hour or so in trying to call people to tell them explicitly what we are prepared to do now that there is this statement. But I don't want to try to speak for others. I'm only speaking for the United States.

Q. Do you have any reason to believe that the Israelis would be willing to sit down with the PLO?

A. No, I don't have any reason to believe that. All I'm telling you is what the U.S. policies are; this policy has been in place since 1975, and it has been consistently adhered to. Now that we see a change in the posture of the PLO, all we're doing is following through on that policy. Our policy remains unchanged.

Q. Do you see this as a single meeting or as the beginning of a process in which there will be a series of meetings, and aimed at what result? If it is going to be a series of meetings, where do you want it to go?

A. The meetings are not an end in themselves. Our object is a comprehensive peace, and so our object in any dialogue that we have with the PLO will emphasize our desire for that and our views of what it takes to get there.

I made a speech last September on behalf of the United States and set out our views as a supplement to the views contained in the initiative that we worked on earlier this year. So our object is not a dialogue; our object is peace, and we will be talking to the PLO as to others in an effort to move things along toward that objective.



U.S. Ambassador to Tunisia Robert H. Pelletreau, Jr., (right) shakes hands with Abdulla Hourani, a representative of the PLO, at their first meeting, held in Tunis on December 16, 1988. At the conclusion of this meeting, Ambassador Pelletreau said: "We have just concluded the initial meeting between the United States and representatives of the PLO. The Palestinian side was represented by two members of the executive committee, director general of the political department, and the PLO representative in Tunis. On the American side, I was accompanied by the embassy political counselor, Edmund Hull. Our discussions were very practical and characterized, I would say, by seriousness of purpose. It is our hope this dialogue, as it develops, will help bring about direct negotiations that lead to a comprehensive peace. I also wish to express our appreciation to President Ben Ali and the Tunisian Government for their assistance in helping with the arrangements for this initial get-together."

Q. Secretary Kissinger was at the White House this morning. Was that why he was there?

A. No, it wasn't. However, I did talk to Secretary Kissinger since we got word of this development.

Q. Your statement at the American Colony [Hotel] was addressed specifically to Palestinians resident in the West Bank and Gaza and specifically not to the PLO. Does this dialogue with the PLO now mean that the United States is prepared to address that sort of statement to the PLO leadership as well as to other Palestinians?

A. That was a statement to Palestinians that I made in Jerusalem last spring, as I remember. You have the date of it in mind?

Q. February.

A. I forget. It's been some while ago. Anyway, I sought a meeting with Palestinians; I went to their turf, so to

speak, and they would not meet. Of course, the word we got was that they were afraid to meet because they were afraid they would be killed if they did.

So I went, and I made a statement that you referred to, saying, "Here is what I would have told you if you had come." We issued that statement as a statement of our efforts toward peace and of our recognition, which has been consistent. It's obviously so that if you're going to get to a peaceful settlement in the Middle East, you have to include Palestinians in the process from the beginning and at the end. That is clear enough, and that was basically what I said.

Q. As an example of this, are you going to be willing to talk with Mr. Arafat before you leave office?

A. What I am doing is authorizing our Ambassador in Tunisia to make himself available for a direct dialogue, and we are making it clear that this is the only authorized channel of communication. So anybody else who is repre-

senting themselves as a channel is not a channel. This is the authoritative channel representing the U.S. Government.

What may evolve from this remains to be seen. But I think that when it comes to any genuine, substantive discussion, we are in a transition phrase, and it is basically for the next Administration to decide what they do.

Q. When will the first meeting be held?

A. We have seen this PLO statement. I'm making this response on behalf of the President. I might say the President [and] the Vice President agree with this, and I'm authorizing now the Ambassador in Tunis to undertake this dialogue. But when there will be a meeting, I don't know.

Q. Now that the United States has recognized the PLO as a legitimate partner for negotiations, do you feel that there's any reason for Israel not to negotiate with the PLO?

A. What we are doing, as a result of the PLO's meeting our conditions, is establishing a substantive dialogue with them. We hope that that dialogue may help bring about direct negotiations that will lead to peace.

How those negotiations are structured, who is there to speak on behalf of the Palestinians, is a subject that's difficult one. We've worked on it a long time, and I imagine it will continue to be difficult. But, at any rate, we'll have a dialogue with the PLO, and that dialogue will be designed to find answers to those questions.

Q. Now that the PLO has recognized Israel's right to exist and the UN resolutions and renounced terrorism, do you feel there's any reason that Israel should not now talk to the PLO?

A. Israel has its own views and own policies, and Israel has always made it clear that these conditions that are U.S. conditions are not necessarily theirs. So I am not in any way speaking for Israel. It's totally for Israel to make its own decisions about what it wants to do, and there's nothing to be inferred judgmentally about what they should do.

I'm only saying that for the period since 1975, the United States has had position in effect that if the PLO meets these conditions, we will have a substantive dialogue. And since they have met the conditions, we are carrying through on our policy. That's the sum and substance of it.

Q. Have you conferred with the incoming Administration, since you have insisted that you're in a transitional state? And will you be able to tell us what's their stand on it?

A. The President and the Vice President both have followed these developments very closely; they have reviewed—each of them—this most recent development. They both agree that under these circumstances, the conditions for a substantive dialogue, which we had in place since 1975, have

been met, and so we should state that we are ready to undertake that dialogue.

Now as far as what will be the efforts of the Administration of President-elect Bush, that is for them to determine, and that remains to be seen.

¹Text from Weekly Compilation of Presidential Documents of Dec. 19, 1988.

²Press release 257. ■

U.S. Denies Visa to PLO Leader Arafat

DEPARTMENT STATEMENT,
NOV. 26, 1988¹

The 1947 UN headquarters agreement obligates the United States to provide certain rights of entry, transit, and residence to persons invited to the UN headquarters district in New York City.

The Congress of the United States conditioned the entry of the United States into the UN headquarters agreement on the retention by the U.S. Government of the authority to bar the entry of aliens associated with or invited by the United Nations in order to safeguard its own security."

In this regard, U.S. law excludes members of the Palestine Liberation Organization (PLO) into the United States by virtue of their affiliation in a organization which engages in terrorism. The Secretary of State is vested by law with the discretion to recommend to the Attorney General that the prohibition against a particular PLO member be waived.

The UN General Assembly in 1974 invited the Palestine Liberation Organization to participate as an observer at the General Assembly. The United States acknowledged that this UN invitation obligates the United States to accord PLO observers entry, transit, and residence; therefore, visa waivers have been issued to such individuals as a routine practice. As a result, a PLO Observer Mission has been in operation at the United Nations since 1975. The PLO, therefore, has had, and continues to have, ample opportunity to make its positions known to the membership of the United Nations.

On November 24, 1988, we received an application from Mr. Yasir Arafat, Chairman of the PLO, for a visa to attend the UN General Assembly session in New York City as an invitee. The Secretary of State has decided not to recommend a waiver of ineligibility in this case; the visa application, therefore, is not approved.

The U.S. Government has convincing evidence that PLO elements have engaged in terrorism against Americans and others. This evidence includes a series of operations undertaken by the Force 17 and the Hawari organizations since the PLO claimed to forswear the use of terrorism in the Cairo declaration of November 1985. As Chairman of the PLO, Mr. Arafat is responsible for actions of these organizations which are units of Fatah, an element of the PLO of which he also is chairman and which is under his control.

The most recent sign of Mr. Arafat's associations with terrorism was the presence at the Algiers session of the Palestine National Council this month of Abu Abbas, a member of the Executive Committee of the PLO who has been convicted by the Italian judicial system of the murder of an American citizen, Mr. Leon Klinghoffer.

In summary, we find that:

- The PLO, through certain of its elements, has employed terrorism against Americans;

- Mr. Arafat, as Chairman of the PLO, knows of, condones, and lends support to such acts; he, therefore, is an accessory to such terrorism;

- Terrorism and those involved in it are a serious threat to our national security and to the lives of American citizens; and

- The headquarters agreement, contained in Public Law 80-357, reserves to us the right to bar the entry of those who represent a threat to our security.

The United States firmly believes that Palestinian political rights must be recognized and addressed. A comprehensive settlement of the Arab-Israeli conflict is achievable through the peace process that already has brought significant progress. Palestinian participation is required at every stage of the negotiations required to achieve peace, justice, and security. Participation requires responsibilities, however. All parties must demonstrate their desire to make peace; they must adhere to internationally accepted principles and norms. No participant in a peace process can wave the flag of justice in one hand and brandish the weapons of terrorism in the other. All participants must renounce violence and terrorism.

The outcome of the Palestine National Council session in Algiers produced signs that there are Palestinians who are trying to move the PLO in a constructive way. That is encouraging and should continue. It is unfortunate that the blight of terrorism still afflicts the Palestinian cause and leaves no alternative to decisions such as the Secretary has taken today.

¹Made available to news correspondents by Department spokesman Charles Redman. ■

Under Secretary Armacost's Interview on "Face the Nation"

Under Secretary for Political Affairs Michael H. Armacost was interviewed on CBS-TV's "Face the Nation" on December 18, 1988, by Lesley Stahl.

Q. The U.S. Government has, we are told, put all of our Embassies around the world on special alert out of fear of a terrorist attack. If such an attack should take place, what do we expect Mr. Arafat [Palestine Liberation Organization (PLO) leader Yasir Arafat] to do?

A. We are going to take him at his word. He's made an unqualified commitment not only to condemn but to renounce all forms of terrorism. And if terrorism persists and if they are accountable for it, then we would be unable to move forward in our dialogue. If attacks occur, and it appears the responsibility of elements that are close to the PLO, we would expect him to denounce them, to dissociate from them, certainly to expel any elements that are involved in this from the PLO.

Q. But basically, in terms of denouncing and condemning, he's done that in the past, and we are told even when we've had evidence of direct PLO involvement.

A. As I said, we are not talking simply about condemning; we are talking about dissociation and expulsion.

Q. Why did we accept the fact that Mr. Abu Abbas remains on his executive committee? He is the member of the PLO that has been indicted for the murder of Leon Klinghoffer, the American who was on the *Achille Lauro*.

A. I think it highlights the problem. If elements that are still associated with the executive committee, if they are involved in further acts of terrorism by which—

Q. What about past acts?

A. I think we are really having to move forward at this point. They've made this declaration for the first time; it is a new step, and we'll be watching very closely to see whether or not they live up to their word.

Q. Have we asked him, will we ask him to expel this man from the executive committee, or are we just going to swallow the fact that he's there, an indicted murderer?

A. I think our interest is in their conduct.

Q. From here forward?

A. If these are merely rhetorical matters, then we are not going to get very far. If it foreshadows a change of conduct, then it seems to me we've accomplished something that's significant. And from Israel's standpoint, if it's merely rhetorical and there are further acts of terrorism, then the dialogue won't proceed. If there is a change of behavior, they will be the principal beneficiary.

Q. Where do you think the ball is? Is it in Israel's court right now? Is it incumbent upon Israel at this stage to come out with some kind of initiative of its own to match or to answer?

A. I think the initiative has to be assumed by all the parties.

Q. Mr. Arafat made a step.

A. He has taken a step. And we have acknowledged the step by initiating a dialogue. Israel obviously has to form a government. We've got a new Administration that has to take office. The PLO has to demonstrate by deeds that these words are meaningful.

But we have a situation in which the Palestinians, if they are going to secure the recognition of their political rights, which they deserve and they require, then they have to accommodate themselves to Israel's right to exist and, indeed, Israel's right to have secure borders. Israel has to step up likewise, if it wishes security, which it deserves and requires, to the need to withdraw from territories and to accept the fact that the Palestinians have legitimate rights. How these accommodations are struck must emerge from the negotiations. We are still trying to figure out a way to get the negotiations started. That's an issue on which all the parties have a role to play.

Q. [Israeli Foreign Minister]

Peres very passionately makes the point that if they really do want to live in peace, why doesn't Mr. Arafat say to the young people in these occupied territories: Prove to the Israelis that we do want to live in peace, and just for a short time, let's have a cease-fire, or whatever you want to call it, in the violence? Is that the next step?

A. I think it would be very helpful if there is a subsiding of violence in the territories.

Q. But Mr. Arafat seems to be saying just the opposite.

A. Spokesmen have been saying that. It's true, of course, that the *intifada*—which covers a lot: demonstrations, strikes—there is violence, and the violence is unhelpful, it reinforces the chasm of distrust which exists. The objective of the peace process is to overcome that. So a subsiding of this violence would be very helpful at this point.

Q. But how does the American Government square what's going on? Mr. Arafat rhetorically says we want to live in peace with Israel, we recognize their right to live in peace, we want peace; and yet he, basically, encourages with words the continuation of the rock-throwing and the fire-bombing and the Molotov cocktails.

A. There are differences between different kinds of acts. The *intifada*, when it emerged, was not a byproduct of a PLO decision; it reflected a reaction to prolonged occupation. So the action of people to occupation is not going to cease immediately. But I think the pursuit of that objective through violent means is not going to bring about the result which Palestinians want. And we have some new statements from the PLO. I think we have initiated a practical, business-like dialogue. We hope now there will be deeds which allow the parties to soberly reflect and initiate this process which can result in some accommodation. It's a long road, but we need to get the process started.

Q. All we have so far is rhetoric but we also have, just in terms of words, the Arab press continuing to talk about what Arafat did as the first phase in reaching their goal. And according to the PLO charter, which still exists, that goal is still writing and rhetoric the liquidation of the State of Israel. Why was there no insistence by the United States that the PLO change that charter which still is the basis of their—

A. These statements represent a supersession of those aspects of the Palestinian national covenant.

Q. How do you know that?

A. That's what they have indicated.

Q. They didn't indicate it publicly.

A. They have indicated publicly that they accept Israel's right to exist in peace and safety. And if this is a clever tactical ruse, not only will the

dialogue with us go nowhere, but there's no prospect for peace—and they could have no illusions. Our commitment to Israel's security is very firm, shakable, rock-solid; that isn't going to change.

Q. This is a test basically.

A. Exactly.

Q. There have been reports that after Mr. Shultz denied Arafat his visa, between that and the acceptance of this language, that he came under some prodding, described by *Time* magazine as gentle but, nevertheless, some prodding from President-elect George Bush. Is that true?

A. I don't have any way of knowing. What I suspect is the case is that the Secretary made a strong decision on the visa; it was based upon our law and evidence that was available to him regarding Arafat's complicity in terrorism. Subsequently, in response to pressures from a variety of sources, Arafat made declarations which met conditions of long standing, and, therefore, they having adjusted their policy and pronouncements, we did what we did for many years we would do.

Q. The PLO is now out ahead of the so-called moderate Arab states in the region in recognizing Israel's right to exist. Will the United States now launch some kind of a mission or initiative to urge the moderate Arab states like Jordan and Morocco and Saudi Arabia and others in that category to recognize Israel?

A. I think they recognize Israel's right to exist, and they have long embraced the UN resolutions. They have established diplomatic relations, and their position has long been that will be a byproduct of a comprehensive peace negotiation.

Q. What is the point of these talks? What's the goal, the end goal of the United States? Is it to get Israel into the talks?

A. Talks with the Palestinians?

Q. Yes—into that room with the United States and the PLO? Is that the end?

A. The objective is not the dialogue itself. The dialogue is helpful if it promotes a comprehensive peace negotiation. And the objective in the first meeting, beyond describing in some detail what we expect on this issue of terrorism, was to see whether or not we can figure out a process through which a negotiation can be established

acceptable to Arabs and Israelis, so that we can move toward a comprehensive peace.

Q. What is your reaction to the latest news out of Israel that Mr. Shamir is forming a government with the religious parties and not with Labor?

A. I'd rather wait until the results are in before commenting.

Q. On the reports that a hostage—an American hostage, maybe

Assistant Secretary Murphy's Interview on "This Week With David Brinkley"

Assistant Secretary for Near Eastern and South Asian Affairs Richard W. Murphy was interviewed on ABC-TV's "This Week With David Brinkley" on December 18, 1988, by David Brinkley and Sam Donaldson, ABC News, and George F. Will, ABC News analyst.

Q. You've just heard a member of the Israeli *Knesset* [Benjamin Netanyahu]—and probably a member of its government sooner or later—that he feels betrayed and that the PLO [Palestine Liberation Organization], in its Arabic publications, still promises the threat—the destruction of Israel. Now we can read Arabic. We know that, don't we?

A. When Mr. Netanyahu speaks of betrayal, it is, as he said, a very strong word. In 1975—13 years ago—we gave a commitment to Israel that we would not be dealing with the PLO unless they accepted [UN Security Council Resolutions] 242, 338, and Israel's right to exist. They did that on Wednesday. The Reagan Administration added that we would not deal with them unless they renounced terrorism. They did that on Wednesday. So it should be no surprise that we moved as we did.

Q. He [Mr. Netanyahu] seems not to believe any of that. What assurance can we give him, or need we give him any?

A. I don't think there's an assurance that can be given today, because until we see how these talks go, until some time has gone on and they—the PLO—have proved that they meant

Terry Anderson—may be released soon, any information?

A. I regret to say we haven't had any authoritative information on it.

Q. Do we expect or not expect? Before Christmas I think the report was.

A. I think, through bitter experience, we've learned not to count our chickens before they are hatched. But we will work very hard on it. ■

exactly what they said in renouncing terrorism everywhere, without exception, then Mr. Netanyahu and other Israelis are not going to feel assurance. I'm not surprised. They're living in a dangerous area, a volatile area. And, naturally, they're deeply suspicious.

Q. Why is the speaking of a few words, orchestrated by the U.S. Government, by a terrorist at a press conference in Geneva more impressive to the U.S. Government than the continued talk in Arabic that Mr. Netanyahu spoke about about the two-staged process for destroying Israel, and the continued implacable total hostility to Israel stated in the charter of the PLO?

A. Why did it take 13 years for the PLO leadership and Arafat speaking as chairman of the executive committee, why did it take 13 years for those words to be said? We did orchestrate those words, but they were orchestrated 13 years ago. They have not found it possible, until this past week, to accept them. I think that in itself is significant. Time will tell how significant. They have not moved to renounce the covenant, as you were discussing earlier on the program. But they have said, and Abu Sharif [senior adviser to PLO leader Arafat] himself said a couple of weeks ago in London, that the covenant had been superseded in many of its parts by their decision to go for a two-stage solution.

Q. If the Palestinians, those allegedly most aggrieved by the Israeli-Arab dispute, are, as the American

Government now says, converts to moderation, would you now expect in short order Jordan, Saudi Arabia, Tunisia, Morocco, the United Arab Emirates, and other Middle Eastern nations that the United States calls moderate on this issue also to quickly recognize the legitimacy of the State of Israel? And if they don't, what inference will you draw from that.

A. They accepted—most of those governments that you're referring to—explicitly Resolution 242 years ago. What happened this past week was that the PLO accepted 242 and thereby Israel's right to exist. What is yet to come is diplomatic recognition and normalization between those other governments and Israel. And that's going to come in the context of the comprehensive peace settlement which we're aiming at.

Q. The United States has now said that if the words are not matched by deeds, if terrorism continues, we will immediately break off talks, and it will be, as the President said, just back to square one. I'm unclear as to how you're going to measure that. Let me give you a situation; it may arise. Next week—2 weeks from now—people cross from Lebanon into Israel. They burn a bus. They kill civilians. The Israelis say, here's the PLO. Arafat says, I never heard of these people. Who are they? What does the United States do?

A. We are going to take these things on a case-by-case basis, as has been said. The President has made it plain we can't sustain this dialogue if terrorism continues. Terrorism has been renounced in words. Now we shall see what happens. Arafat has said he will do his best. Arafat does not control—and he's accurate in that—all Palestinian elements. He's got death threats out on him from some extremist elements such as the Abu Nidal organization. He has had statements already critical of what he did in Geneva from outfits such as Anmed Jebri's PFLP [Popular Front for the Liberation of Palestine] general command. So we will look at an incident when it occurs. But terrorism—

Q. Will we investigate it ourselves to try to ascertain the facts?

A. Of course, we will. Of course, we will.

Q. How do we do that?

A. We have our sources. We have our means. But what is plain is that we are not just going to go on words alone.

We will expect the PLO leadership to dissociate itself, to discipline up and including expelling those involved from the organization.

Q. If that hypothetical—but I think in the past very close-to-life example that I gave you—occurs, are you going to send to Israel investigators from the FBI? I mean, I'm not quite clear how, if these incidents continue, the United States decides that it's not Yasir Arafat and the main council of the PLO; they're still trying to live up to their commitment. Or how, in Ambassador Netanyahu's words, they've simply lied to us, and we've got to break off.

A. We will, as I say, look at each case as it comes up. I think it would be fatuous to assume today that there will be no further violence in the region. It is very volatile. It is a dangerous situation. And further actions can be expected. What we're aiming at by opening this dialogue is to advance the issue of Israel's security, to advance through negotiations in the framework of an international conference to get to a comprehensive settlement.

Q. This new American policy was quite startling. Describe for us the genesis of it. Where did it come from? Whose idea was it?

A. It came from 1975. It is not a new policy. There was no change. You can use words like breakthrough, if you will. But the breakthrough was made by the PLO, not in terms of U.S. policy. Nor did we dictate the words to Arafat to say last Wednesday in Geneva. Those words were set out by the U.S. Government, most of them literally 13 years ago.

Q. In 1980 candidate Ronald Reagan said, and I quote: "Israel and Jordan are the two Palestinian states envisioned by the United Nations." Is that still the policy of the U.S. Government?

A. We do not consider Jordan the Palestinian state, no. Jordan has its own history. Jordan has its own status as a sovereign state.

Q. Ethnically, geographically, historically, it's Palestine. And the PLO calls it Palestine in its charter.

A. Ethnically I wouldn't say it was Palestine. It's a mix. You have what are known as East Bankers, people from the stock, from the ethnic—

Q. Has Ronald Reagan changed his mind on this?

A. We today do not certainly consider Jordan to be part of Palestine.

Q. Where do we go from here? If the Israelis won't ever talk to the PLO, what good does it do for us to talk to the PLO? Where is the end of that conversation?

A. "Won't ever" is perhaps a long period of time. The Israelis are naturally suspicious; we understand that. They're disappointed; we understand that. But we expect that through our dialogue, some of the answers that are troubling the Israelis, as they have troubled us over the years, will become clearer. Who is going to represent the Palestinians in talks? How will a conference be structured? All of these questions are out there to be clarified. We hope this dialogue—

Q. Israel now has told us, at least Ambassador Netanyahu has told us, that there may be strained relationships between our two countries with consequences that could lead not toward peace but toward more unrest in the area.

A. Israel has no reason to doubt our reliability as its ally. We will stand with it—maintain its military edge. We will stand with it through negotiations. There is no reason for a sense of betrayal or deep disappointment.

Q. Clearly, Israel will never comply with the preconditions that Arafat has set out for the convening of the international conference—the withdrawal from the West Bank and the occupation, in effect, of the West Bank by the United Nations. That means, before you can conceivably think of an international conference, the PLO has to drop lots of preconditions. Do you expect that?

A. I would expect that there would be many changes in the positions of each of the parties before you can get down to brass tacks.

Q. Do you expect Israel to compromise on those two points?

A. I would not expect Israel to accept a UN trusteeship, mandate, whatever you want to call it, over the area from which its forces might one day withdraw. Israel wants to deal face-to-face with the parties.

Q. When Secretary Shultz denied Arafat a visa to the United Nations, did he think all of this out? Did he intend all of this to happen? Or did it just fall into it?

A. The Secretary saw it as two separate issues. He had the law governing the question of the visa, and he applied that law. He did not seek a waiver to that law. This was a separate matter. When the PLO moved on Wednesday to meet these longstanding

American conditions, then he responded.

Q. So you don't claim it was Shultz's pressure and genius that did this?

A. Oh, no, absolutely not; two separate issues. ■

The Search for Middle East Peace

by Richard W. Murphy

Address before the Center for Strategic and International Studies Symposium on December 8, 1988. Ambassador Murphy is Assistant Secretary for Near Eastern and South Asian Affairs.

I greatly appreciate the opportunity to be here this morning with such an assembly of experts. I returned several years ago from a 2-week trip to South Asia—where the problems are as tenacious and as baffling as the Arab-Israeli conflict; deep-seated communal tensions, security concerns, minority issues, boundary and other disputes—all with a familiar ring to those who have worked at resolving the divisions between Arabs and Israelis. The thorny issues in South Asia too have caused wars, are seen by many as intractable, and demand creativity and flexibility if there ever is to be true peace. The leaders in that region are well aware of the challenges facing them and of the need to work for acceptable compromises. The recent election in Pakistan is an example of this process in progress.

But let's look directly at what Palestinians have been doing over recent months to affect their future, how this fits into the search for Middle East peace, and what the *intifada* [Israeli word meaning "uprising"] may portend. There is no resolute effort to achieve negotiated settlement.

Examining the *Intifada*

For a year now, Palestinians in the occupied territories have been protesting Israeli occupation with demonstrations, strikes, and violent confrontation with the Israeli Army. They are determined to keep world attention focused squarely on the Palestinians and their protest. There are signs that a new leadership may be emerging. There also are signs that some see their new energy of op-

position in Islamic terms, while others are trying to figure out how to direct this vigor into political channels which could lead to a resolution of the conflict with Israel. In examining the *intifada* and what it means, a number of questions come to mind; answers, as always, are more difficult.

But the principal questions are: Is all of this sustainable? Can the Israeli military wear down the resistance—enduring the open defiance of the opposition and smother its political outgrowths? Will the PLO [Palestine Liberation Organization] be seen as doing enough to maintain its position of leadership over the population in the occupied territories? Is there a new leadership emerging in the West Bank and Gaza Strip determined to insert more realism into Palestinian demands? Will the PLO itself become more realistic? Has the *intifada* really become a durable priority in the Arab world's perspective on the peace process? And finally, has the significance of four decades of state-to-state warfare diminished and the problem really come full circle back to its basic, communal beginnings?

At least for now, the *intifada* is an important part of the Middle East problem facing our next Administration. But there are other factors in the region, other realities and developments which the new Administration will have to deal with; and probably early on in its term.

Palestinian Participation in the Peace Process

Over the past several months, Palestinians have begun to demonstrate broader interest in participation in the peace process. There has been much debate in Palestinian circles about just how to become involved. Increasingly, Palestinians are thrashing out the complexities of moving toward accommodation with Israel and of resolving the status of the occupied territories. Obviously, many in the Palestinian com-

munity are grappling with the issues of terrorism and the role of [UN Security Council] Resolutions 242 and 338 and are reexamining and abandoning the earlier dogmas of armed struggle and total victory. And, as Secretary Shultz said December 4, there was some significant movement at the PNC [Palestine National Council]. We are glad to see the PNC do what it did at Algiers, we encourage it, and we hope to see more progress toward the fundamental issue of the acceptance of Israel. However, in its public statements, the PNC fell short. It failed to address clearly and unambiguously the core issues of terrorism and UN Security Council Resolutions 242 and 338 as the basis of negotiations. It also failed to accept explicitly the right of Israel to exist. Yesterday in Stockholm, Arafat took the process another step forward. Still he fell short of the mark, but the progress is in the right direction and again is welcome.

True, the *intifada* is in the minds of most as this debate goes on. But, it lacks a positive thrust; it rejects the *status quo* but, so far, offers little concrete in its place.

And so, I ask, has the PLO done all it can to make it plain that they seriously desire peace? Have Palestinian leaders mounted a persuasive political program for peace in ways that are convincing to Israelis? We cannot forget that it is with Israel that Palestinians must ultimately deal in concrete and constructive ways. Have they, in fact, reassured those of us who are involved but come from outside the region that Palestinians are committed to a comprehensive peace addressing Israeli concerns as well as Palestinian rights?

These past few days there has been a sharp, critical reaction to the Secretary's decision not to grant a visa for Yasir Arafat, who was invited to appear at the UN General Assembly in New York. The Secretary decided the issue on the basis of terrorism and the intensity of the U.S. opposition to terrorism in all its forms. The decision was not, nor could it be directed in any way against Palestinians and their centrality to the peace process. No one contests the principle that legitimate Palestinian rights must be addressed and that Palestinians must participate at every stage of the negotiating process. Without their participation—and their acceptance of the final results—there can be no peace in the region. But, the vagueness and ambiguous words which

the PLO has used to address terrorism, and actions taken by some elements of the PLO since 1985, point openly to the need for change in Arafat's position on this issue. In this context, we particularly welcome the relative clarity of the language at Stockholm. Let's hope that performance matches that promise.

Political Efforts Within the Region

Elsewhere in the region, turning to Jordan and King Hussein, there's no question that Jordan will remain fully committed to peace and active in seeking it. For years, King Hussein has persisted in courageous and exhaustive efforts to explore paths toward a common ground of accommodation and peace acceptable to all. Jordan's interest in reaching peace continues as firm as ever. Its disengagement from the occupied territories has placed a greater obligation on the Palestinians themselves which may be beneficial in the long run. They must now shoulder the

responsibilities for their future and take a more active part in the search for ways to open a dialogue with Israel. Palestinians must play a greater role in energizing the peace process, but Jordan's participation in negotiations remains vital.

Other Arab states are searching for ways to move forward. President Mubarak of Egypt has always been aware of the special role for Egypt in bringing moderation and foresight to the parties and has sought to use his role to that end. Since early this year, he has been actively engaged in encouraging the sides to move toward peace.

Others, like the Saudis, seek to be helpful, continuing and increasing their efforts to build on and give expression to the growing regional consensus that the conflict must be resolved through political negotiation. We must all support this theme and encourage this consensus. Certainly, the United States will do so. And, we must continue to maintain the strong working relations we have with our friends in the region—in both the political and security assistance spheres.

In Israel, the electorate is obviously very divided on many key issues—one among them being the way to approach peace. Many Israelis recognize that they cannot achieve security and acceptance in the region without a resolution of the Palestinian issue. Israel is trying to find a means to resolve its religious and secular differences and to work out a concerted approach to the territories from widely differing views. At the same time, it is struggling with its demographic and ideological problems which tug at its very heart. As we all know, security for Israel means a peaceful resolution of the Arab-Israeli conflict and acceptance in the region.

Whatever government is eventually formed, Israelis will have to be prepared to deal with the hard question of how to achieve peace—and that includes the territorial dimension. I've suggested that the Palestinians have not mounted a case sufficiently persuasive to the Israelis that they are seriously interested in peace. But the question should also be asked of Israel: Have Israeli leaders mounted a persuasive political program for peace in ways convincing to Palestinians? The positions of the Israeli Government and how it demonstrates its dedication to peace will be essential if momentum is to be restored to the process.

The Soviet Approach

Among other players, the Soviet Union is playing a more assertive role and taking a more realistic approach to the region and the peace process. Contacts between Soviets and Israelis are increasing. The Soviets are reemphasizing the need for Palestinians to accommodate Israeli security within the context of negotiations based on [Resolution] 242. The Soviets still fall lock-step into many old positions (an example being this year's UN General Assembly vote on Israeli credentials). At the same time, they have shown a new awareness of the complexities accompanying the peace process.

Our own talks with them on the Middle East have proceeded from the annual, almost perfunctory exchange views to more frequent, deeper, and wider ranging discussions. We are still cautious in our exchanges, but there is no question they are expanding their positions. This new Soviet interest offers pluses and minuses for the future. It will require a careful and measured response on our part, but there are constructive ways by which Moscow can use its leverage to influence the parties. We must continue to explore this avenue.

Increasing Focus on Missiles and Chemical Weapons

Aside from the political efforts in and outside the region, another emerging factor is the increasing focus on missiles and chemical weapons in the region. There is alarming missile proliferation, as well as a steady flow of technology and materiel into the area. The all-too-familiar demand for newer, more dangerous weaponry continues. The specter of chemical weapons use has cast its sinister shadow. We have already seen a willingness to use chemical weapons in the Gulf War and a burgeoning fascination with its production in Libya. With chemical weapons a gruesome danger in and of itself, the possibility of longer range chemical weapons-armed missiles is particularly ominous. The risks of miscalculation, preemptive strike, of irresponsible leadership are real and present. This problem will be a major focus for the next Administration.

As we ask what problems the next Administration may face in the Middle East and how it will approach them, there are a few general conclusions that we can make based on past events in the region—conclusions that might be used as a measure for future use.

Situation in Lebanon

DEPARTMENT STATEMENT, DEC. 12, 1988¹

The United States views with deep concern the escalating tension in Lebanon. The intensifying competition between Lebanon's two rival governments deepens the dangerous instability in Lebanon and underscores the urgent need to fill the vacant post of the Lebanese presidency. We call on all parties to exercise maximum restraint and to refrain from violence. We urge the governments of Gen. 'Awn and Dr. Huss to desist from any action that further weakens the institutions of state, including the central bank.

Immediate action is needed to restore the unity and authority of the central government. The first step must be the constitutional election of a consensus president who is dedicated to the implementation of political reform. We call on all parties to work energetically toward this end, and we reaffirm our own commitment to political reform and the restoration of Lebanon's unity, sovereignty, and territorial integrity.

¹Read to news correspondents by Department spokesman Charles Redman. ■

The U.S. Role

Our involvement in the search for Middle East peace is inescapable. The situation in the region has its own dynamics; the new Administration will have to watch closely and be ready to adjust the American role in channeling the parties away from conflict, toward dialogue and peace. As we all recall, events there can easily get out of control. Tension and instability in the Middle East are present today as rarely before and require a continuing U.S. commitment to the search for constructive ideas and flexibility.

However, it is the parties in the region that have to provide the fundamental answers. They cannot be manufactured in Washington or in the capitals of the other permanent members of the Security Council. It is the peoples in the area who must live with the results of any settlement on a direct, day-to-day basis. It is they who must work out the living arrangements for this sliver of territory beside the eastern Mediterranean. While the new Administration can help set the tone for debate, can act as a catalyst and mediator between the parties, and can continually keep the realities of the problem before them, the parties themselves are the ones who have to engage with each other and come to terms with each others' concerns and aspirations.

We will preserve and we will build on past achievements in the peace process. This is not a new concept. After the 1967 war, we exerted strong efforts to bring [Resolution] 242 to the point where it achieved general acceptance; that resolution is now recognized as the appropriate basis for negotiations. The engagements after the 1973 war, Camp David, President Reagan's initiative in 1982, and Secretary Shultz's proposal of this year are all built upon previous progress. It will be for the new Administration to examine different approaches and other emphases, but the fundamentals will remain the same. After all, the problems haven't changed that much.

Experience shows that the time required for movement toward peace has often been misjudged. Dramatic events may catch international attention and be seen as historical turning points either in the direction of peace or of war and instability. Major crises or critical developments do offer opportunities, but without a lot of hard work. The 1973 war caught us by surprise. Like most wars in the Middle East, it was a

U.S., U.S.S.R. Hold Nonproliferation Talks

U.S. STATEMENT,
DEC. 15, 1988

The 12th round of U.S.-U.S.S.R. bilateral consultations on nuclear non-proliferation issues were held December 12-15, 1988, in Washington. The consultations covered a wide range of issues, including preparations for the 1990 Nonproliferation Treaty (NPT) review conference, prospects for further strengthening the international non-proliferation regime, enhancement of international safeguards, mutual support for the strengthening of the International Atomic Energy Agency (IAEA), and situations of regional concern from a nuclear proliferation perspective. The American delegation was headed by Ambassador at Large Richard T. Kennedy, and the Soviet delegation was headed by Dr. Boris Semenov, First Deputy Chairman of the State Committee for the Utilization of Atomic Energy.

Secretary of State Shultz opened the first plenary session, expressing appreciation for the valuable contribution that these consultations have made to the task of preventing the spread of nuclear weapons to additional countries and noting the importance of continuing cooperation between the United States and U.S.S.R. to strengthen the non-proliferation regime and the need for continuing discussions of this kind. He noted that the leaders of both countries viewed these consultations with satisfaction.

The consultations were conducted in a business-like and constructive atmosphere, with both sides confirming their interest in preventing proliferation of nuclear explosives and helping other countries enjoy the benefit of the peaceful uses of nuclear energy under effective international safeguards. Both sides affirmed the value of continuing these consultations on a regular basis in the future. ■

situation where an uncontrollable chain of events could have been triggered. Fortunately, in that case, it was managed and contained. And out of it came a long-lasting disengagement impossible to foresee in the immediate wake of the conflict. Similarly, when President Sadat went to Jerusalem, hopes for a rapid breakthrough were high. But, that visit was followed up by months of tough negotiations—and, ultimately, the formula of Camp David. This formula succeeded in the Egyptian-Israeli context but fell short of its goal of a comprehensive peace. Will changing Palestinian attitudes, as seen in the *intifada* and the recent PNC, for example, be looked back on as one of these turning points? Will Arafat's speech next week in Geneva contribute to these changes? We will be listening attentively.

Future Prospects for Peace

It's a favorite pastime to prophesy on Middle East peace prospects in the future. So what are the prospects for peace during the next U.S. Administration? Over the longer term, there is reason for optimism if the leaders of

both sides are ready to make the necessary moves toward accommodation and peaceful resolution of their differences.

Past progress has been attained when the parties engaged in pragmatic diplomacy and made that fact clear to others. If each side is prepared to negotiate seriously, then movement is possible, and those who wish to help can do so. When I speak of an intent to negotiate seriously, I mean that there must be a genuine willingness on the part of Israelis and Arabs to address each others' concerns. All the parties must be prepared to negotiate on the basis of [Resolution] 242 and the principle of land for peace. And, to negotiate means give and take, without the presumption that preferred positions must and will carry the day.

Political rights of Palestinians must be high on the negotiating agenda, just as Israeli security and acceptance by its neighbors must be. Obviously, each party will bring its own positions on this and other points to the negotiations. An independent Palestinian state may be demanded by the Palestinians. The Israelis will bring their own set of demands. We will have our own posi-

tions. The opening arguments will sound absolutest, but as negotiations proceed, it will become clearer to all that there can be no security for Israel without addressing Palestinian concerns, and likewise there can be no solution for Palestinian concerns without addressing Israel's security needs.

Conclusion

These issues present challenges to the leaders in the region. Do Israelis, Palestinians, and other Arabs have the ability, the desire, and foresight to accept them? Can the people in the area overcome the entrenched mistrusts, the stereotypes, and disputes of 40 years

and take the risks of dialogue and negotiation? Do they have the wisdom to perceive that the only alternative to a legitimate political process will be more war and more bloodshed? And, above all, will they have the patience to pursue the political path?

We don't know the answers today, but assuredly the United States will continue its role of pushing the parties toward dialogue, toward negotiation, chipping away at differences, and demanding realism and flexibility from all parties in order to reach the goal of comprehensive peace. We cannot do less, but more will depend on those who must live with the results. ■

U.S. to Resume Aid to Fiji

DEPARTMENT STATEMENT,
DEC. 27, 1988¹

The United States has consistently supported efforts to encourage the return of representative constitutional government and a broadly based political solution in Fiji. We view as positive steps the return of executive authority to civilian hands, the suspension of the internal security decree, and the public commitment of Prime Minister Mara to a process that will restore constitutional government.

In support of these efforts, the President of the United States, after

consultation with the Congress, has decided to restore economic assistance programs that were statutorily placed on hold following the May 1987 coup in Fiji. Our goal is to encourage steps made in returning Fiji to representative constitutional and civilian rule.

Further the restoration of our \$1.357 million economic assistance programs to Fiji will enable us to help address important development problems that affect all of Fiji's communities.

¹Read to news correspondents by Department deputy spokesman Phyllis Oakley. ■

Countering Terrorism in the 1980s and 1990s

L. Paul Bremer, III

Address before the George Washington University conference on terrorism on November 22, 1988. Ambassador Bremer is Ambassador at Large for Counter-Terrorism.

Today I would like to talk to you about U.S. counterterrorism policy in the 1980s and the priorities for the 1990s. Reasonable observers have questioned, continue to question, and will likely go on questioning the effectiveness of our government's counterterrorism effort. It is not hard to see why. After all, the *Iran-contra* affair dealt a blow to our credibility. Nine Americans are still held hostage in Lebanon. And according to the State Department's own statistics, 1987 was the bloodiest year for terrorist incidents since we began compiling such figures. This year attacks on U.S. targets are running 31% above their 1987 levels; while incidents for 1988 are running about 4% above 1987. So it is certainly fair to question the effectiveness of our country's counterterrorism policy.

Let me suggest to you, however, that these data do not reflect a failed policy. Rather, they are evidence that terrorism is now and will be a persistent international problem.

We cannot expect completely to eradicate terrorism. But we can aim to reduce significantly terrorism's status on the international agenda. And I believe our policy is moving toward that goal.

U.S. Counterterrorism Policy

American counterterrorist policy stands on three solid pillars.

First, we will not accede to terrorist demands. We will not pay ransom, pardon convicted terrorists, or pressure other countries to give in to terrorist demands. In other words, we will make no deals. But we will talk to anyone authoritative, anywhere, anytime about the welfare and unconditional release of hostages.

Second, we have taken the lead in pressuring states which support terrorist groups and use terrorism as part of their foreign policy. We have shown

these states that they will be penalized for supporting terrorism. The United States will not tolerate their aiding and abetting terrorist groups by supplying them with weapons, money, passports, training bases, and safehouses.

Third, we are imposing the rule of law on terrorists for their criminal actions. Good police work is catching terrorists, and they are being brought to trial. The United States now has on the books a law which enables our law enforcement agencies to better combat terrorism. Popularly called a "long arm" statute, the law makes it a Federal crime to kill, injure, threaten, detain, or seize an American citizen anywhere in the world in order to compel a third person or government to accede to a terrorist's demands.

U.S. Policy: How Is It Working?

So we have a clear and comprehensive counterterrorist policy. How is it working?

Let us look first at the "no concessions" element of our policy. Obviously, this element of our policy was damaged by the *Iran-contra* affair. However, for the past 2 years, the President has made it crystal clear to Iran and others our government's steadfast commitment to the no deals principle. No country, no group should believe there is gain in trying to blackmail the United States. Based on my own meetings with counterterrorism officials and experts from other countries and in this country, we have largely recovered the credibility lost by the *Iran-contra* affair. The international counterterrorism community understands our position, and there is strong bipartisan support here for our policy of firmness in dealing with terrorists.

We have enjoyed an important measure of success on the second ingredient of our policy—pressuring states supporting terrorism. Some of the more notorious state supporters of terrorism have attempted—publicly at least—to distance themselves from terrorism.

Our 1986 airstrike on Libya's terrorist camps was the watershed event in the world's fight against terrorist support-

ing states. European nations followed our lead against Libya by imposing political, economic, and security measures against the Qadhafi regime. European Community members expelled more than 100 Libyan "diplomats" and restricted the movements of other Libyan "diplomatic" and "consular" personnel. These moves severely damaged Libya's European network dedicated to supporting international terrorism.

Qadhafi learned that his support for international terrorism would not be cost free. And he changed his behavior which, after all, was the objective of our attack. Libya's involvement in terrorism declined from 19 incidents in 1986 to 6 in 1987.

Syria, another long-time supporter of terrorism, felt the pressure of our counterterrorism strategy also. In late 1986, British and West German courts established Syrian complicity in terrorist attacks in London and West Berlin. Together with Great Britain, the United States joined an international campaign employing diplomatic, political, and economic sanctions to convince Syria to reduce its links to terrorist groups.

These efforts worked. In 1985 Syria was implicated in 34 terrorist incidents but in 1986 only 6. In 1987, a year after our pressures, we detected Syria's hand in only one incident. Moreover, Syria expelled the violent Abu Nidal organization in June 1987—a major victory for our counterterrorist policies.

This pillar of U.S. Government policy may not force these nations to cease entirely their support for terrorist groups. Indeed, both Libya and Syria continue to provide such support. But a concerted, vigorous Western strategy does make them move more cautiously and become more circumspect.

The third and final element of our tripartite program—using the rule of law against terrorist and encouraging others to do the same—is maturing into a potent weapon for two basic reasons. First, there has been a sea change in international attitudes toward terrorists. Second, governments have decided to provide law enforcement agencies the resources necessary to deter terrorism.

Not long ago, many usually responsible countries granted terrorists dispensation for their crimes. Ironically,

terrorists were perceived as victims of those vague forces called "oppression" and "imperialism"—victims, or worse, romantic adventurers whose behavior should be indulged.

No longer is this true. Terrorists began to lose this international indulgence as they widened their circle of targets in the late 1970s. In some instances, they even attacked their sympathizers and supporters. The shock of such actions turned indulgence to revulsion.

And as popular disgust mounted, politicians finally insisted on action to counter the terrorists. Law enforcement agencies were given the resources to do their jobs. National police departments now have the surveillance gear, the communications equipment, and the money for overtime to gather intelligence and to track and arrest terrorists. As a result, more and more terrorists are being brought to trial and convicted.

- Two weeks ago, a Maltese court sentenced the sole surviving terrorist in the November 1985 hijacking of an Egyptian airliner to 25 years imprisonment—the maximum sentence under Maltese law. The surviving hijacker belonged to the Abu Nidal organization.

- Last month a Sudanese court passed the death sentence on five Palestinian terrorists for their attack this year on Khartoum's Acropole Hotel and the Sudan Club. These five were also members of the Abu Nidal organization.

- Also last month, a French court convicted *in absentia* the notorious

Fatah terrorist Colonel Hawari to 10 years, the maximum allowed under French law, for complicity to transport arms, ammunition, and explosives and for criminal associations.

- A West German court is currently trying Muhammad Hamedei, a Lebanese terrorist implicated in the 1985 TWA hijacking which resulted in the murder of an innocent American seaman.

- In Greece authorities will soon decide on Muhammad Rashid's extradition to this country where he is wanted for planting a bomb in 1982 on a Pan Am airliner. His extradition to the United States would be an important indication of Greece's adherence to its stated policy of combating terrorism.

- And here in Washington, D.C., Fawaz Younis, a Lebanese terrorist, will go on trial next year for holding American citizens hostage when he led the 1985 hijacking of a Royal Jordanian Airlines flight.

So the United States has a policy in place, and it works. But we cannot become complacent.

The Threat Remains

Terrorists still have the means to outrage us, to force our attention to them, and to strike almost anywhere in the world. As we look at the threat environment today, we identify three particular threats in the period just ahead. And as we look into the next decade, we have some additional concerns. Let me address both sets of issues.

Radical Palestinian Groups. Our first immediate concern is the likely increase in radical Palestinian terrorism. This May terrorists from the radical Palestinian group, the Abu Nidal organization, used machine guns and grenades to attack a Sudanese hotel and club frequented by foreign visitors. Two months later, Abu Nidal terrorists struck again, attacking the Greek passenger ship *City of Poros* with grenades and machine guns. Just last month, West German police arrested members of another radical Palestinian group, the PFLP-GC [Popular Front for the Liberation of Palestine General Council], before they could carry out a terrorist attack. And recently other violent fanatical Palestinian groups, including Abu Musa and the Marxist Popular Front for the Liberation of Palestine, publicly proclaimed their intention to step up their terrorism effort against Israel.

Combining a deep, visceral hostility toward the West with cold-blooded terror, these radical Palestinian groups receive financial, logistical, and weapon support from Syria and Libya. They are responsible for some of the most vicious terrorist operations on record. Although Israel is their main target, Israel is not their only target. These groups represent an ongoing international danger.

Libya. Libya's continued—even growing—involvement in terrorism is our second concern. After 2 years of relative quiet, Qadhafi is becoming more active. Instead of using Libyan citizens, he is increasingly using surrogates to implement his terrorist attacks. We have indications that Libya is augmenting its assistance to and enhancing its relationship with such terrorist groups as the Abu Nidal organization, the Japanese Red Army, and the Provisional IRA [Irish Republican Army].

In the last 3 years, the relationship between Tripoli and the vicious Abu Nidal organization has intensified. Abu Nidal is now based in Tripoli, and Libya provides most of its funding. One of the Abu Nidal organization terrorists who attacked the *City of Poros* carried a Libyan passport. The weapons used in that attack were from Libya's military inventory.

The April 14 attack on the USO club in Naples, in which one American and four Italians were killed, was conducted by the Japanese Red Army. It took place on the anniversary of the U.S. attack on Libya, and the attackers proclaimed their solidarity with Libya.

Greece Denies Extradition of Suspected Terrorist

DEPARTMENT STATEMENT, DEC. 8, 1988¹

The United States supports the Italian Government's call for a full clarification of Greece's decision to deny extradition and to deport a suspected terrorist—Abdel Osama al-Zomar—to Libya. Abdel Osama al-Zomar is wanted in Italy for a clear act of terrorism—an attack on a Rome synagogue in 1982 which killed a 2-year-old child and wounded 37 people.

We are profoundly disturbed by the Greek Government's decision refusing to permit him to stand trial in Italy. We

are making our concerns known both here and in Athens. We note that Members of Congress have also expressed their strong concern on this matter.

As reported in the press, the explanation offered by the Greek Justice Minister that an armed attack on a synagogue and the murder of a 2-year-old child would "fall within the domain of the struggle to regain a homeland" and are, therefore, not crimes is deplorable.

¹Read by news correspondents by Department deputy spokesman Phyllis Oakley. ■

Qadhafi has obviously calculated that if he can hide his hand well enough, the West will not respond. He may be right. At the exact moment we detect increased Libyan activity, a number of European countries are responding to a "harm offensive" launched by Qadhafi to improve their relations with him. He may inadvertently be sending Qadhafi the message that it is not acceptable to directly commit terrorism, but that there is no price for using terrorism.

Terrorism in the Andes. The final item on our short list of immediate concerns is terrorism in the Andean countries—Colombia, Peru, Ecuador, and Bolivia—and the increasing danger posed by the narcoterrorists. We do not read or hear much about terrorism in these countries, but terrorist acts against American facilities and personnel are becoming more disturbing.

Because of economic and political instability in Latin America, the United States is an obvious target for groups like the National Liberation Army in Colombia, *Sendero Luminoso* in Peru, *Farco Vire Carajo* (AVC) in Ecuador, and far-left groups in Bolivia—groups aiming to undermine foreign investment and to create economic chaos in their countries.

So far this year, Colombian terrorist groups have carried out more than 70 anti-U.S. attacks—almost half of all terrorist attacks against U.S. targets worldwide. Almost all of these attacks were against U.S. oil company facilities. And all four major Colombian terrorist groups have received arms and training in Cuba and reportedly aid from Libya.

Looking at Peru, a modest decline in violent anti-U.S. activity does not truly reflect the considerable level of violence there. Since 1980, when the *Sendero Luminoso* launched its terror campaign, more than 12,000 people have been killed, and more than \$10 billion in material losses has been registered. *Sendero* began targeting foreign interests about a year ago. Several recent attacks have been made on U.S. interests.

In Ecuador, the small but deadly *Alto Vire* group has been contained by the Ecuadoran Government. Although awakened, these urban terrorists are still capable of violent and coordinated action, especially when they receive help, as they have in the past, from the better organized Colombian terrorist groups.

Department Expands Terrorism Rewards Program

DEPARTMENT STATEMENT,
DEC. 21, 1988¹

As part of continuing efforts to combat terrorism, the Department of State is expanding its rewards program. The program to date has focused on obtaining information that would lead to the arrest and conviction of the perpetrators of specific terrorist acts. Since December 1984, rewards have been offered in six such incidents.

The expanded rewards program will now include payment for information that leads to the prevention, frustration, or favorable resolution of terrorist acts against U.S. persons or property overseas.

In order to publicize the expanded program, the Department is distribut-

ing posters advertising payment of up to \$500,000 for information that aids in the prevention of terrorist acts or leads to the arrest or conviction of individuals who have committed terrorist acts against U.S. persons or properties overseas. The multilingual posters are printed in English, French, German, Spanish, and Arabic and will be sent to all U.S. diplomatic posts overseas.

Persons with terrorism information should notify the nearest U.S. Embassy or Consulate. Information received will be handled confidentially, and the identities of informants will be protected.

¹Read to news correspondents by Department deputy spokesman Phyllis Oakley. ■

Bolivia, until recently, had largely avoided the terrorist problems plaguing its neighbors. Now some elements of the far left are preparing and carrying out terrorists activities. Examples of the growing threat level in this Andean country include the recent bombing attempt on Secretary Shultz's motorcade. But the predominant threat in Bolivia comes from drug traffickers.

Narcoterrorism is on the rise throughout the Andes. Drug traffickers have always used terrorist tactics to suit their purpose, but now they are frequently working together with terrorist groups. Big-time narcotics dealers offer Latin American terrorist groups financial backing in exchange for the terrorists attacking the drug traffickers' enemies. And the U.S. Government is at the top of the drug dealers' enemies list.

Terrorism in the 1990s

These three issues—radical Palestinian terrorist groups, Libya, and Andean terrorism—will certainly demand our attention for the rest of the 1980s. But what of the next decade? Should we anticipate changes in strategy or tactics by terrorists? Are there any trends we should be alert to?

You have all read or heard apocalyptic stories of terrorists stealing or building their own nuclear weapons. Yet most experts agree that nuclear terrorism presents less potential danger than terrorists resorting to less dramatic, but no less potent, means of mass destruction—such as chemical weapons or by exploiting more sophisticated technologies.

Terrorists have noted that the use of chemical weapons by the Soviets in Afghanistan and during the Iran-Iraq war provoked little public outrage. They have seen increased deterrent measures around their traditional targets—airports, embassies, and government buildings. These favored terrorist targets are no longer easy marks. And equally important, the international media have been relatively restrained lately in reporting on terrorist outrages.

Some terrorist groups might decide, therefore, to welcome the new decade by upping the ante—by using chemical weapons to gain attention. A number of states which support terrorism have chemical weapons in their arsenals. Recently, Libya acquired a very substantial capacity to make chemical weapons.

We also believe terrorists will make greater use of high technology in their attacks. To take one example, the Provisional IRA, which has contact with Middle Eastern groups and Libya, has

become expert in building bombs with long-delay timing devices; bombs which can be set to explode in days rather than hours. The IRA placed such a bomb in their 1985 attempt on [British] Prime Minister Thatcher.

We also expect that terrorists will make more use of modern plastic explosives. These are much more powerful than traditional explosives like dynamite and TNT. And they are much more difficult to detect with current technology. Libya has already shipped several tons of a Czech plastic called SEMTEX to the Provisional IRA in recent years. And the IRA has used SEMTEX in devastating attacks in Northern Ireland.

Priorities for the New Administration

What are the lessons from the 1980s for the new Administration?

- Firmness and persistence must continue as the hallmarks of this country's counterterrorism effort. Only a sustained, relentless effort will suppress terrorism. So we must maintain the patience and discipline to allow our current policy to work for the next period.

- We should be confident enough not to cut deals with hostage-takers.

- States supporting terrorism must be exposed to the sunlight. When necessary, international sanctions, including military force, should be imposed on these states to make them behave as responsible members of the world community.

- To further international cooperation against terrorist-supporting states, we should expand our cooperation with Latin American, East Asian, and African countries. Terrorism is not limited to the Middle East or Europe.

- Let us buttress the rule of law as a tool by having Congress pass the "Terrorist Alien Removal Act." The proposed legislation, drafted by the Justice Department, would expedite procedures for deporting alien terrorists found in the United States. To further reinforce our law enforcement tactics, we and our allies should agree to share as much information on terrorists as possible. Complementing this effort, U.S. Government agencies need to work more closely in permitting access to data bases on terrorism. Ideally, within the U.S. Government and with our allies, we should all be working from a central data base. By enhancing the flow of data among and between ourselves and our allies, we can make it easier to track and eventually apprehend terrorists.

- On a less visible level, there will continue to be a place in the fight against terrorists for covert action. Terrorist groups draw strength from their small size and secrecy. This inherent strength is also a weakness which we can exploit by making them doubt their cadre's loyalty and making them worry about Western infiltration.

- We need to combat the terrorists' use of high technology. This means being willing to expend time and money for research and development activities. For most of our agencies, counterterrorism research and development projects simply do not cross above the budgetary cut line.

To deal with this problem, we have created a national counterterrorism research and development program for which the State Department annually seeks funds. Unfortunately, the amount of funds appropriated by Congress for the national counterterrorism research and development program is shrinking at an alarming rate. I hope the new Administration and the new Congress will restore this vital program to a high priority.

We, too, can put new technologies to work. Progress in miniaturization has permitted the development of more accurate sensors better able to detect

explosives and hazardous gases. Research into DNA technology is providing forensic scientists with the biological tools to determine whether a specimen comes from a specific individual. Refinements in computer software are enhancing our ability to gather and analyze information.

Conclusion

No one can promise a world free of terrorism. But, through hard-earned experience, our country has developed a policy which is showing signs of success against the terrorists. They know we are serious. States, which in the past routinely supported terrorists, are now more cautious in their actions. Terrorists once caught are being put on trial and sentenced to lengthy jail terms. No longer are they being allowed to slip quietly away.

Our successes should encourage confidence that the tide is turning our way—that we are on the right path. We must understand, however, that suppressing terrorism will not be easy. We still have a long and difficult struggle before us. With heightened vigilance, clear thinking, and steady discipline, I am confident that we can prevail. ■

French Court Convicts Palestinian Terrorist

DEPARTMENT STATEMENT, OCT. 31, 1988¹

The U.S. Government welcomes the October 20 conviction by a French court of the notorious Palestinian terrorist Abdullah Abd al-Hamid Labid, also known as Col. Hawari. Hawari's conviction is a major step in the international fight against terrorism. The court sentenced Hawari *in absentia* to the maximum penalty of 10 years imprisonment. Hawari heads the Special Operations Group within the Fatah organization.

The court found Col. Hawari guilty of complicity to transport arms, ammunition, and explosives and for criminal association. The French court concluded that Hawari financed and directed the assembling of an arms cache in Paris that was linked to a wave of bomb attacks throughout Europe in the 1980s. According to our information, these attacks were aimed at Middle Eastern and American targets.

Although a number of countries deny him permission to enter (Tunisia, Iraq), the French action is the first time Col. Hawari has been convicted for his terrorist activities. It shows once again that terrorists will be held accountable for their criminal actions.

DEPARTMENT OF STATE FACT SHEET, OCT. 31, 1988

Background

The Hawari Group
Leader: Col. Hawari (alias)
True Name: Abdullah Abd al-Hamid Labid
Date of Birth: Circa 1941
Place of Birth: Gaza, Palestine

The Hawari group, officially known as the Special Operations Group of Fatah Central Security and Intelligence Ap

ratus, is named after its leader who commonly known as Col. Hawari. The group, which has conducted operations since 1985 under the name of "Martyrs of Tal al Za'atar" and been identified elsewhere as "Amn Araissi," includes among its membership a number of senior operatives who were previously members of the radical Palestinian 15 May Organization, including Muhammad Rashid (Abu Zahayr). We believe Hawari, a senior Fatah operative, has total control of the group. The Hawari group has a network of terrorist cells, controlled and directed by Col. Hawari's deputies, in the Middle East, Western Europe, and the Eastern Europe.

Chronology of Terrorist Activities

1985

April 1. Bomb exploded at the Syrian Arab Airlines office in Rome. No group claimed responsibility, but subsequent information strongly suggests that the incident was the first in a series of Hawari attacks in Western Europe.

April 26. Two bombs exploded in Geneva—one outside the Libyan Arab Airlines office and the second beneath a Syrian diplomat's car. A third bomb, loaded in the car of another Syrian diplomat, was defused. The two Palestinians arrested in connection with the bombings claimed to be members of the "Martyrs of Tal al Za'atar," presumed to be a cover name used by Hawari's group. In March 1986, they were given 9-year sentences.

May. Two Romanian bomb disposal experts were killed trying to dismantle a Hawari bomb.

June 2. Bomb exploded at the Geneva railway station. In a telephone message issued to an Arab newspaper in London, a man claimed responsibility for the action in the name of the "Martyrs of Tal al Za'atar."

June 3. British authorities discovered a bomb planted outside the Syrian Embassy in London by a Hawari operative named Mutran who is also known by a number of aliases.

July 2. Italian authorities arrested a Hawari operative, Mutran, for carrying documents. (In June 1988, Mutran was sentenced to 17 years in prison by the Italian courts for involvement in the June 3, 1985, attempted bombing in London.)

July 11. Spanish authorities discovered a Hawari safehouse in Madrid and arrested its two Palestinian occupants.

1986

April 3. Bomb exploded aboard TWA Flight #840 shortly before its scheduled landing in Athens, killing four Americans. The explosion ripped a hole in the fuselage, and the victims were sucked out of the plane. Hawari operative May Mansur is suspected of having placed the bomb aboard the plane. The Hawari group attempted attacks against other U.S. facilities in Western Europe during the summer of 1986 but were unsuccessful in carrying out these operations.

Late August. Moroccan security forces arrested four members of a terrorist team operating under Col. Hawari's direction. Those arrested included two Tunisian women and two Lebanese/Palestinian men. The arresting officers recovered several unassembled explosive devices and associated equipment. The suspects claimed that the objective of the team was to perpetrate attacks in Moroccan

public places. The explosives were prepared by Abd al-Qadir Ayyash, a Hawari member and an explosives expert.

1987

March 4. Explosives and arms were discovered in a basement storage room in Paris. Seven individuals were arrested, one of whom admitted working for Hawari.

1988

May 30. At U.S. request, Greek police arrested Muhammad Rashid for his involvement in the 1982 bombing of a PanAm aircraft over Honolulu, which resulted in one death and several injuries. The Greek Government is currently considering the U.S. request that Rashid be extradited to the United States to stand trial for this crime.

¹Read to news correspondents by Department spokesman Charles Redman. ■

Efforts Toward a Cambodian Settlement

Following is a statement by U.S. Permanent Representative to the United Nations Vernon A. Walters in the UN General Assembly on November 3, 1988, and the text of UN General Assembly Resolution 43/19 of November 3.

AMBASSADOR WALTERS' STATEMENT¹

For the first time in nearly 10 years, there is reason for cautious optimism regarding Cambodia's future. During the past 6 months, there has been considerable diplomatic activity surrounding the Cambodian conflict and some signs of progress. This activity includes the Vietnamese announcement in May that they will withdraw 50,000 troops from Cambodia by the end of 1988, the Jakarta informal meeting at the end of July, and the special talks on Cambodia between the Soviet and Chinese Vice Foreign Ministers held in Beijing at the end of August.

In addition, other avenues for further progress toward a Cambodian settlement are being vigorously pursued.

These include the discussion of the Association of the South East Asian Nations' (ASEAN) revised "Situation in Kampuchea" resolution here at the General Assembly, the Jakarta informal meeting working group which met in Jakarta earlier this month and continues to explore ways of achieving lasting peace for this war ravaged land, and the upcoming meeting in Paris between [Cambodian] Prince Sihanouk and Hun Sen—the so-called prime minister of Vietnam's puppet regime in Phnom Penh.

An acceptable settlement of this tragic conflict must permit the Cambodian people to determine their own future without internal or external manipulation or intimidation. It should be based on the complete withdrawal of all Vietnamese troops from Cambodia so that this foreign occupation is brought to an end as soon as possible. We strongly hope Hanoi will follow through on its pledge to undertake a partial withdrawal in the remaining weeks of this year. There have, however, been few concrete signs up to this time of major movement of Vietnamese forces out of Cambodia. We must ensure as well that Hanoi's withdrawal will not lead to the return to power of the Khmer Rouge, a

contingency to which the United States and the international community are unalterably opposed.

H. J. Res. 602 and Other Measures

Recently, my government approved a Joint Resolution of the Congress on Cambodia [H. J. Res. 602], and it was signed by President Reagan. It reflects the overwhelming bipartisan sentiment in the United States for a total withdrawal of Vietnamese forces and for the prevention of a Khmer Rouge return to power. The resolution calls on all parties to "respect the territorial integrity of Cambodia" and to "deny safe haven to Khmer Rouge forces seeking the overthrow of a newly formed sovereign Cambodian Government." It urges that the international community "use all appropriate means available to prevent a return to power of Pol Pot, the top echelon of the Khmer Rouge, and their armed forces, so that the Cambodian people might genuinely be free to pursue self-determination without the spectre of the coercion, intimidation, and torture that are known elements of the Khmer Rouge ideology." Finally, it asks that those nations providing aid, support, and sanctuary to the Khmer Rouge, especially arms and military equipment, cease doing so.

Along with these principles, which we believe must govern any comprehensive settlement of the tragic situation in Cambodia, there are a number of possible measures concerning the Khmer Rouge which warrant serious and urgent consideration. These include the holding of internationally supervised elections. We cannot imagine that the Cambodian people would willingly vote for the return of the Khmer Rouge. Another essential element is the removal of Pol Pot and other senior Khmer Rouge leaders most responsible for crimes against the Cambodian people and violations of basic human rights on a massive scale. A third is the dispatch of some form of international monitoring and peacekeeping force. Another basic element should be provisions for the disarming of all the factions under international monitoring. Finally, measures should be developed to provide for the cutoff of arms aid from the outside in a balanced and symmetrical manner. We believe some combination of these or other approaches

can prove effective. Following the implementation of these measures, the international community should stand ready to assist the Cambodian people in the resettlement of refugees and the reconstruction of their war ravaged country.

The United States believes that the best course for the international community is to continue to support Prince Sihanouk and the noncommunist resistance forces in their valiant struggle for a free and independent Cambodia. Because they constitute an increasingly viable alternative to both the Vietnamese and the Khmer Rouge, they can and must play a key role in a settlement which will serve the best interests of the Cambodian people. We view Prince Sihanouk as the indispensable leader of any future coalition government in Cambodia.

Vietnamese Occupation

It is vital that all peace-loving nations continue to stand firm in opposition to Vietnam's occupation of Cambodia. We believe that the international effort to ostracize Vietnam has, over the years, helped to bring home to Hanoi the cost of its action and that the recent, although inconclusive, signs of change in Vietnam's approach attest to its effectiveness. Under current conditions, Vietnam cannot and should not participate fully in the world's economic and diplomatic activities. One result has been that as the economies of other nations in Southeast Asia thrive, Vietnam's has disintegrated. Until Vietnam withdraws from Cambodia, it cannot hope to seriously address its social and economic malaise. Thus, not only Cambodians but also Vietnamese continue to suffer from the folly of Hanoi's military adventurism.

Unquestionably, Vietnam's illegal occupation remains the root cause of the conflict in Cambodia today, and the expeditious withdrawal of all of the Vietnamese troops—we believe that more than 100,000 are still in country—is the key to resolving this tragic situation. The United States has joined with the vast majority of the nations of the world in condemning Vietnam's occupation and has called for Hanoi to withdraw its forces and to negotiate a settlement acceptable to all sides. We believe that only through a political solution can the suffering of the Cambodian people be brought to an end and regional stability be restored. Our goal is a free and independent Cambodia which is not a threat to its neighbors.

Today, despite a series of announcements by Hanoi over the years that its troops would soon withdraw, the Cambodian people continue to endure the pain and humiliation of the Vietnamese occupation of their homeland. The influence and control of Vietnam permeate all aspects of Cambodian life and society. Vietnamese personnel, euphemistically referred to as "advisers," can be found at almost every level of government in Phnom Penh and are assigned as watchdogs to all Cambodian military units. There are also disturbing reports of attempts by Hanoi to bring about demographic change in Cambodia through the establishment of a number of Vietnamese settlements.

Nevertheless, Vietnam, like oppressors from time immemorial, has found it impossible to suppress the indomitable spirit of the courageous Cambodian people. Rather than submit meekly to Hanoi's attempt to seize hegemony over Cambodia, thousands of resistance fighters have flocked to the banners of the noncommunist resistance, seeking to drive the invaders from their country. This effort has been fueled by the widespread popular dissatisfaction with the puppet Heng Samrin regime.

In addition to its impact on Cambodia and its people, the Vietnamese invasion and continuing occupation of that country constitute a direct threat to the security of Thailand, a long-time friend and treaty ally of the United States, and to the stability of the entire region. ASEAN has responded to the danger with vigor and effectiveness, has marshaled international opposition to Vietnam's occupation of Cambodia and has fostered the growth of the Cambodian noncommunist resistance into a viable military and political force in the struggle for a free and independent Cambodia.

The United States has noted with interest Hanoi's frequent announcements of its intention to withdraw 50,000 troops by the end of 1988 and the remainder of its troops by 1990 without regard to the political, economic, or military situation existing at that time. We hope Vietnam will meet and preferably beat these deadlines, and we will be watching. In another positive step, Hanoi has recently reiterated its willingness to allow foreign observers into Cambodia to verify its announced 50,000 troop withdrawal.

spite these encouraging signs, however, fundamental uncertainties remain. Even if Hanoi were to withdraw 50,000 soldiers, the continued presence of an estimated 70,000 troops in Cambodia would preclude genuine national reconciliation. Moreover, the United States remains skeptical of Vietnam's promise to depart Cambodia by 1990 in light of past announced troop withdrawals which later proved to be no more than troop rotations. The international community has the right to expect the actual withdrawal to follow the words of Vietnam's promise.

5. and International Support

Closing, I would like to offer several important points for your consideration.

- First, the United States will continue to support the efforts of ASEAN to achieve a negotiated solution to this tragedy. Since the beginning of the conflict, ASEAN has been in the forefront of the search for peace. By focusing international attention on Cambodia, it has functioned as our conscience, ensuring that the world does not forget.

- Second, the United States also strongly supports UNGA Resolution 38/39 now before us. We believe that the newly drafted language better reflects the current situation in Cambodia while maintaining as the world's primary priority the need for the Vietnamese to withdraw their forces. The resolution is in harmony with my own government's four goals for Cambodia: first, immediate, unconditional, and total withdrawal of Vietnam's forces in Cambodia; and, second, a nonreturn to power of Pol Pot and those closely associated with him in the Khmer Rouge.

- Third, the invasion and occupation of Cambodia by Vietnam are illegal. This assembly has overwhelmingly and repeatedly demanded that Vietnam withdraw from Cambodia. We should do so with the hope that our common voices may persuade Vietnam to live up to its conciliatory words with action. In this way, our votes here can contribute to the achievement of a peaceful settlement in Cambodia.

- Fourth, it is the Cambodian people themselves who must determine their own future course. We are certain that for this eminently reasonable and attainable objective to be realized, there must be workable measures to assure that the Khmer Rouge can never again

exercise control over that country's destiny. Complete Vietnamese withdrawal, however, remains the first step toward resolution of this conflict.

The Cambodian people have suffered long enough. They deserve the right to determine their own form of government, free from outside interference. They are entitled to our best effort. The international community, which has come to equate the name Cambodia with tragedy, should do everything possible to ensure that Cambodia becomes once again a gentle land, independent and free from conflict.

GENERAL ASSEMBLY RESOLUTION 43/19²

Recalling its resolutions 34/22 of 14 November 1979, 35/6 of 22 October 1980, 36/5 of 21 October 1981, 37/6 of 28 October 1982, 38/3 of 27 October 1983, 39/5 of 30 October 1984, 40/7 of 5 November 1985, 41/6 of 21 October 1986 and 42/3 of 14 October 1987,

Recalling further the Declaration on Kampuchea and resolution 1(I) adopted by the International Conference on Kampuchea,

Taking note of the report of the Secretary-General on the implementation of General Assembly resolution 42/3,

Deploing that foreign armed intervention and occupation continue and that foreign forces still remain in Kampuchea, thus causing continuing hostilities in that country and seriously threatening international peace and security,

Noting the continued and effective struggle waged against foreign occupation by the Kampuchean forces under the leadership of Samdech Norodom Sihanouk,

Taking note of Economic and Social Council decision 1988/143 of 27 May 1988 on the right of peoples to self-determination and its application to peoples under colonial or alien domination or foreign occupation,

Greatly disturbed that the continued fighting and instability in Kampuchea have forced an additional large number of Kampucheans to flee to the Thai-Kampuchean border in search of food and safety,

Recognizing that the assistance extended by the international community has continued to reduce the food shortages and health problems of the Kampuchean people,

Emphasizing that it is the inalienable right of the Kampuchean people who have sought refuge in neighbouring countries to return safely to their homeland,

Emphasizing further that no effective solution to the humanitarian problems can be achieved without a comprehensive political settlement of the Kampuchean conflict,

Seriously concerned about reported demographic changes being imposed in Kampuchea by foreign occupation forces,

Convinced that, to bring about lasting peace in South-East Asia and reduce the threat to international peace and security, there is an urgent need for the international community to find a comprehensive political solution to the Kampuchean problem, with effective guarantees, that will provide for the withdrawal of all foreign forces from Kampuchea under effective international supervision and control, the creation of an interim administering authority, the promotion of national reconciliation among all Kampucheans under the leadership of Samdech Norodom Sihanouk, the non-return to the universally condemned policies and practices of a recent past and ensure respect for the sovereignty, independence, territorial integrity and neutral and non-aligned status of Kampuchea, as well as the right of the Kampuchean people to self-determination free from outside interference,

Recognizing that the Jakarta Informal Meeting in Bogor, Indonesia, held from 25 to 28 July 1988 was a significant development, which marked for the first time the participation of the parties directly involved and other concerned countries,

Reiterating its conviction that, after the comprehensive political settlement of the Kampuchean question through peaceful means, the countries of the South-East Asian region can pursue efforts to establish a zone of peace, freedom and neutrality in South-East Asia so as to lessen international tensions and to achieve lasting peace in the region,

Reaffirming the need for all States to adhere strictly to the principles of the Charter of the United Nations, which call for respect for the national independence, sovereignty and territorial integrity of all States, non-intervention and non-interference in the internal affairs of States, non-recourse to the threat or use of force and peaceful settlement of disputes,

1. Reaffirms its resolutions 34/22, 35/6, 37/6, 38/3, 39/5, 40/7, 41/6 and 42/3 and calls for their full implementation;

2. Reiterates its conviction that the withdrawal of all foreign forces from Kampuchea under effective international supervision and control, the creation of an interim administering authority, the promotion of national reconciliation among all Kampucheans under the leadership of Samdech Norodom Sihanouk, the non-return to the universally condemned policies and practices of a recent past, the restoration and preservation of its independence, sovereignty, territorial integrity and neutral and non-aligned status of Kampuchea, the reaffirmation of the right of the Kampuchean people to determine their own destiny and the commitment by all States to non-interference and non-intervention in the internal affairs of Kampuchea, with effective guarantees, are the principal components of any just and lasting resolution of the Kampuchean problem;

3. *Takes note with appreciation* of the report of the *Ad Hoc* Committee of the International Conference on Kampuchea on its activities during 1987-1988 and requests that the Committee continue its work, pending the reconvening of the Conference;

4. *Authorizes* the *Ad Hoc* Committee to convene when necessary and to carry out the tasks entrusted to it in its mandate;

5. *Reaffirms* its commitment to reconvene the Conference at an appropriate time, in accordance with Conference resolution 1(1), and its readiness to support any other conference of an international nature under the auspices of the Secretary-General;

6. *Requests* the Secretary-General to continue to consult with and assist the Conference and the *Ad Hoc* Committee and to provide them on a regular basis with the necessary facilities to carry out their functions;

7. *Expresses its appreciation once again* to the Secretary-General for taking appropriate steps in following the situation closely and requests him to continue to do so and to exercise his good offices in order to contribute to a comprehensive political settlement;

8. *Expresses its deep appreciation once again* to donor countries, the United Nations and its agencies and other humanitarian organizations, national and international, that have rendered relief assistance to the Kampuchean people, and appeals to them to continue to provide emergency assistance to those Kampucheans who are still in need, especially along the Thai-Kampuchean border and in the various encampments in Thailand;

9. *Reiterates its deep appreciation* to the Secretary-General for his efforts in coordinating humanitarian relief assistance and in monitoring its distribution, and requests him to intensify such efforts as necessary;

10. *Urges* the States of South-East Asia, once a comprehensive political solution to the Kampuchean conflict is achieved, to exert renewed efforts to establish a zone of peace, freedom and neutrality in South-East Asia;

11. *Reiterates the hope* that, following a comprehensive political solution, an intergovernmental committee will be established to consider a programme of assistance to Kampuchea for the reconstruction of its economy and for the economic and social development of all States in the region;

12. *Requests* the Secretary-General to report to the General Assembly at its forty-fourth session on the implementation of the present resolution;

13. *Decides* to include in the provisional agenda of its forty-fourth session the item entitled "The situation in Kampuchea."

¹USUN press release 119.

²Adopted by a vote of 122 (U.S.) to 19, with 13 abstentions. ■

The United Nations: Progress in the 1980s

by Richard S. Williamson

Address before a series sponsored by the American Academy of Diplomacy and the Woodrow Wilson International Center for Scholars on "Adapting American Diplomacy to the Demands of the 1990s" held on October 19, 1988. Ambassador Williamson is Assistant Secretary for International Organization Affairs.

In recent days there has been a resurgence of enthusiasm for the United Nations in some quarters. This is due, in large part, to the progress that has taken place with respect to UN actions on reform and the advancement of human rights, as well as the increased contributions of UN peacekeeping operations which led to the award of the 1988 Nobel Peace Prize to the UN peacekeeping forces.

At the same time, however, significant problems continue to plague this world body. For example, the 1975 resolution which branded Zionism as racism is an outrage. It is a cancer which continues to eat away at the moral legitimacy of this world body. The rhetoric within the United Nations is too often reckless. Sometimes the United Nations even serves to exacerbate problems rather than help to resolve them. Nevertheless, the past 8 years have witnessed an evolution within the United Nations.

When the Reagan Administration took office, the United Nations was hostile to U.S. interests, and the United States was in retreat. Name-calling was a common practice that many considered to be not only legitimate but too enjoyable to resist. Efforts to delegitimize Israel and even deny it credentials were accepted practices within the United Nations. A double standard existed in human rights whereby the clients of the Soviet Union avoided close scrutiny while weaker and isolated nations such as El Salvador and Chile were condemned. From the standpoint of its administrative practices, the United Nations was poorly managed and rife with fiscal inefficiency. And in many respects, the United Nations had become at best a marginal actor on the world stage. While many areas still exist in which the United Nations has strayed from its

original goals and objectives, there have been noteworthy improvements.

Name-calling, while still too frequent, has diminished. The cacophony of reckless rhetoric has abated. Israel credentials are not in threat in the General Assembly nor within the UN specialized agencies. In human rights the double standard has been challenged, and we have seen Soviet human rights abuses within Afghanistan condemned and Cuba put under the scrutiny of a UN Human Rights Commission investigative team. There has been recognition and gradual progress in the area management and fiscal efficiency. And finally, the United Nations is playing a worthwhile role in peacekeeping in Afghanistan, Iran-Iraq, and potential in the Western Sahara, Namibia, Cyprus, and Cambodia.

Three distinct and separate elements have combined to contribute to this transformation within the United Nations.

First, President Reagan's firm leadership and consistent policies in United Nations and elsewhere have had a salutary impact.

Second, the Third World is playing an increasingly constructive role within the United Nations.

And, third, the positive developments in U.S.-Soviet relations have created the opportunities for the United Nations to play a meaningful role.

U.S. Leadership in the United Nations

In 1981, when Ronald Reagan took office, the United States was in retreat within the United Nations. It had become commonly accepted practice to challenge the United States through the most grotesque rhetoric and name-calling. U.S. interests seemed to have become subjugated to a standard of moral legitimacy that was set by a veto of the United Nations' majority membership (undemocratic and unfree) rather than the constant values of freedom, human rights, and democracy which have been the hallmarks of our nation since its founding over 200 years ago. By the late 1970s, we seemed to

ve accepted within the UN General Assembly a position of moral inferiority the face of a hostile majority of mid-nations and mini-states (often in col- sion with the Soviets and the Eastern oc).

President Reagan, through his first Ambassador to the United Nations, Jeane Kirkpatrick, took the "kick me" n off the United States. We no ger passively accepted outrageous arges and name-calling. Those who al challenged the United States began realize that such reckless accusations ould be met by an equally forceful allenge and the truth.

With his appointment of Ambas- or Kirkpatrick and later Ambas- or Vernon Walters, President agan signaled a new determination h respect to the United Nations. It s not a frivolous body to be ignored a serious forum to be engaged. The en visits which Ronald Reagan him- made to the General Assembly—a ord number of appearances before t world body by any President of the ited States—further demonstrated t importance which he placed on it. A the United States evinced its own ous approach toward the United ions, others began to take the old body and their own actions more ously.

With respect to the double stand- us on human rights, the United tes has aggressively pursued the uform application of the Universal laration of Human Rights. This doc- ment, which was crafted in 1948 aely by American delegates Eleanor elvelt and John Foster Dulles, re- ited our own values about human ints as embodied in the U.S. Con- titution. It reflected our understand- n after World War II that countries hich tend to abuse their own citizens' uan rights will be more inclined to tse the rights of their neighbors.

In selecting his first representative o the Human Rights Commission, ed theologian and political scientist hael Novak, President Reagan ele- ad the consideration of human rights end the rhetoric and actively sought oush the United Nations to evenly ply universal standards. In achieving uan rights scrutiny in Afghanistan n now Cuba, the United States' per- sistance and political handiwork were dely rewarded. Just as the Reagan gation sought to continue close certy of Chile, we set out to achieve

close scrutiny of the Western Hemi- sphere's most egregious abuser of hu- man rights, Fidel Castro. At first reluctantly, but eventually with an overwhelming majority, the members of the United Nations recognized the im- portance of this initiative, not only for the United States but for all member states.

In the area of management and ad- ministration, under the leadership of Ambassador Walters, the United States started a multi-year campaign to bring some sanity to the reckless, spendthrift manner in which the United Nations had been operating. Joining first with other major donors such as Japan and the Federal Republic of Germany, and then eventually gaining support from the Soviet Union and from leading G-77 developing countries, the United States achieved a miraculous develop- ment: In 1986 a group of 18 government experts was formed to look at UN management.

The G-18's report was far-reaching and profound. It contained 71 recom- mendations that addressed four main areas of concern:

- The proliferation of intergovern- mental bodies which had caused the UN machinery to become overly com- plex, noncohesive, and difficult to coordinate;
- The mushrooming of the number, frequency, and duration of UN meet- ings and the corresponding increase in paperwork;
- The tremendous growth in the size of the Secretariat, which had be- come topheavy and inefficient; and
- The seemingly unending growth in UN budgets.

In order to address these prob- lems, the G-18 proposed, among other things, a 15% reduction in staff and a reform of the UN's budgetary process that would ensure that budgetary ques- tions would be settled by consensus.

When I was serving as U.S. Am- bassador to the United Nations offices in Vienna, Austria, in 1983 and 1984, I never would have imagined that Gen- eral Assembly formation of a team like the G-18 would have been possible. If such a group of diverse nations had been formed, I never would have thought that it could have reached con- sensus recommendations. If recommen- dations had been forthcoming from such

a group, I never would have believed that the General Assembly might largely adopt them. And even if their adoption were achieved, I never would have foreseen implementation.

But through the persistence of the Reagan Administration, the leadership of Secretary Shultz and Ambassador Walters, and the help of Secretary Gen- eral Perez de Cuellar, these sweeping recommendations were adopted by the Group of 18 experts, endorsed by the General Assembly, and have now under- gone the first phases of implementa- tion. The process is not perfect. Our steps are only small ones when we con- sider the massive task ahead. But the reform process has begun and begun well.

The Reagan Administration's firm, uncompromising yet nonconfrontational approach has been a major contributor to this progress. Further, in the peace- keeping efforts of Afghanistan, Iran- Iraq, and Angola/Namibia, the United States has played a very strong, sup- portive role in the "real world" beyond the United Nations as well as within the United Nations itself to support the Secretary General and his good offices in seeking settlements and the resolu- tion of regional conflicts.

• In Afghanistan, for example, it was the steadfast support of Ronald Reagan and the strong bipartisan sup- port in the U.S. Congress for the *mujahidin* that raised the Soviet costs of the brutal occupation of that country.

• It was the deployment of U.S. naval forces in the Persian Gulf, as well as the diplomatic isolation of Iran, that led Iran to accept the terms of Resolu- tion 598 and agree to a cease-fire.

• Finally, the United States is tak- ing the lead in trying to arrange among the parties a peaceful solution to the Angola/Namibia conflict. However, the mediator in these talks, Assistant Sec- retary for African Affairs Chet Crocker, has recognized from the outset the helpful role the United Nations can play in implementing the arrangements the parties eventually agree on con- cerning self-determination in Namibia and the end of civil war in Angola.

In all of these areas—human rights, UN reform, and peacekeeping—Ronald Reagan deserves significant credit not only for having improved the United Nations as a tool which can both help advance U.S. interests and the interests of all those serious-minded countries but also for having improved the United Nations itself as an institution.

The Changing Role of the Third World

The majority of the nations of the developing world are former colonies. President Franklin Roosevelt played a major role in spurring decolonization. He began to confront this issue with both the British and the French during World War II when they found such a challenge offensive to their national interests. Nonetheless, the United States continued to push for decolonization after the war, and the United Nations served as an invaluable midwife in this process. The result was the end of traditional European colonization. Beginning in 1958 with the independence of Tunisia a cascade of new nations was founded where former colonies existed.

These new nations did not have a history in bilateral relations nor the financial resources to have embassies throughout the world. They did not have the wealth to impact world events through economic force. Nor did they have the military power to exert their independence. But these new nations desperately sought to proclaim their independence. The United Nations became their preferred forum.

Within the United Nations, they could have one delegation which could deal with all the other countries of the world. Also within the United Nations, they had an equal vote with other members in the General Assembly. And within the General Assembly, they could express their independence. In some ways this was constructive. However, it also distorted the General Assembly. The rhetoric of the newly independent countries became excessive. Perhaps frustrated about the limitations of their power to have an impact on the real world, they issued sweeping and often reckless statements, whether hurling accusations against former colonial powers or other powerful nations such as the United States. Frustrated with their poverty versus the wealth of other nations, they condemned the wealthy.

These developing nations also found it very salutary to pass sweeping resolutions mandating great changes. However, over a period of time they learned that excessive rhetoric in the United Nations did have a cost. They were taken less seriously. And the sweeping resolutions had little impact on their very urgent and real needs.

The developing world has begun to understand that passing a broad resolution calling for a new international economic order has not put more food on the tables of the citizens in their countries. They have learned that passing a New Delhi declaration at the UNIDO [UN Industrial Development Organization] conference in 1974 has not created new jobs in their countries. They have learned that passing a sweeping Lima declaration in 1978 has not created further markets for their products.

The result of these developments, nurtured by Secretary General Perez de Cuellar, has been a gradual yet perceptible movement of the G-77 nations toward more responsible behavior. There has been a recognition that the spendthrift ways of the United Nations hurt their interests, which are so dependent on a viable and vital United Nations, more than any other group of countries. Thus, by degrees, leading nations among the G-77 have embraced the reform process and helped advance it. To strengthen the United Nations is to help strengthen their own abilities.

In the economic fora, sweeping condemnations of industrialized countries have slowly diminished and are being replaced by responsible work programs for specific projects to advance economic development.

This transformation within the developing nation majority in the United Nations is terribly important. It has created new responsible leadership among their ranks, as well as a receptiveness for greater responsibility. It has created a new opportunity as we face the United Nations in the 1990s.

These changes have contributed mightily to the improvements within the United Nations. They are to be nurtured for the sake of the developing nations, for the sake of the United States, and for the sake of the United Nations itself.

The Changing U.S.-Soviet Relationship

A third major element in the evolving real world beyond the United Nations, which has helped the United Nations mightily in its gradual movement toward an improved body, has been the changed U.S.-Soviet relationship. While

the Soviet Union remains the United States' primary adversary and the East-West confrontation the primary threat, there is no question that the U.S.-Soviet relationship is in a period of adjustment.

President Reagan deserves credit for this in part by having provided a stronger America, both militarily and economically, in which to engage the Soviet Union. In part this is a result of General Secretary Gorbachev and his efforts at *perestroika* and *glasnost*.

There is no question that the softened rhetoric and the efforts to avoid direct confrontation by both superpowers have created a new environment and opportunity for the United Nations.

Furthermore, as the superpowers have exerted influence to resolve some of the serious regional conflagrations that have been waged, be they in Afghanistan, Namibia, Cambodia, or elsewhere, the United Nations has stood available as a convenient facilitator to help bridge the final gaps toward peace, to provide a buffer for graceful exits, and to provide a framework for reconstruction. Both President Reagan and General Secretary Gorbachev have provided political and moral leadership to nurture this process.

Conclusion

All three of these elements—President Reagan's firm leadership, the modification and maturing of views in developing countries, and the changing U.S.-Soviet relationship—have contributed to this evolution. It is not a revolutionary change. The United Nations still does much that is undesirable. The "Zionism is racism" resolution still as part of the UN General Assembly theology. The rhetoric is excessive. Double standards persist, whether in South Africa or on human rights. The reckless ship cast out toward the seas of oblivion has been steadied. Enough progress perhaps has been made even to say it has begun to change its course. This is good for the United States and it is good for the world. It is a process that the next Administration must engage, nurture, and advance—both for the United States' own interests and for the good of the world community.

Maintaining this progress will require continued firm, persistent leadership in the United States. This means using all resources available—political, moral, rhetorical, and financial—to advance U.S. interests and to fight those forces that profoundly offend our moral and political values. This is a challenge for the next Administration.

This also means working constructively with developing nations, both on a bilateral basis and in their preferred forum of the United Nations; to nurture recognition of the benefits of responsibility, reasonable rhetoric, and constructive joint endeavors to avoid confrontation; and seek the progress of dualism, which is the only solution to their many problems of poverty and, too often, limited freedoms.

Finally, we must continue our steps on the path that was opened by President Reagan and General Secretary Gorbachev through their efforts to explore areas of mutual interest to the superpowers. In the INF [Intermediate-Range Nuclear Forces] Treaty we have seen the benefits of the cooperation between the superpowers. We have seen in the INF Treaty the benefits of cooperation through strength. In the INF Treaty we have seen a harbinger of opportunities. While recognizing our adversarial relationship and the serious threat to our values and standards, this should be explored. And one arena in which it can, should, and must be explored is within the UN system. The United States and the Soviet Union have long cooperated within the United Nations on areas of mutual interest such as nuclear nonproliferation. We have now found areas of cooperation within the United Nations on peacekeeping efforts such as in Afghanistan. The Soviet Union remains our primary adversary. But President Reagan has taken valuable steps toward limited cooperation.

Secretary General Dag Hammarskjöld once said that the United Nations is like a hoe. By itself it can do nothing. But in the hands of the membership it can till the garden and bear fruit. The three developments in the areas discussed above have contributed to a more constructive atmosphere within the United Nations and greater opportunities. As the leader of the free world and the founding force of the United Nations, the United States has an obligation to seek to use the hoe for the advantage of all mankind. ■

Secretary Attends Inaugural of Mexico's President

Secretary Shultz headed the Presidential delegation at the inauguration of Mexico's President Carlos Salinas de Gortari on December 1, 1988. Following is an interview the Secretary had on Televisa Mexico in Mexico City on that day.¹

Q. I wanted to ask you, how would you rate the relationship in the past 6 years while you have been in office, the relationship between Mexico and the United States? What can we look forward to in the future?

A. It's been a good relationship, a constructive one, and we've had the ability to take a look at problems that we have and opportunities and deal with them. Of course, there are plenty of problems remaining for the new Administrations coming in but, I think, on the whole, we would have to say that it's been a good working relationship, and I am proud of myself to have had some part in it. I noticed in the ceremony this morning when the new President had nice things to say about the outgoing President, there was a very warm burst of applause, and I thought it was well deserved.

Q. Talking about President Salinas and his inauguration speech today, he mentioned that Mexico will now focus on the economic growth, and paying the debt will take second place. Would you see this as a major change in the U.S.-Mexico relationship and Mexican policies?

A. Of course we have to explore exactly what President Salinas has in mind, but I think he is absolutely right that growth is what every country needs. It's what Mexico needs. For that matter, if the debt is to be dealt with successfully, it can only be when there is a growing economy. If the economy isn't growing, we don't have anything to work with on the debt, let alone growth or progress for the people of Mexico. I think he hits it right on the head in saying that growth has to be a key objective.

Q. Would you think that the creditors will accept reducing the debt? Would you think that would be a solution or part of a solution?

A. The debt problem is complex and difficult. If it were otherwise, it would long since have been dealt with. President Salinas had some interesting things to say. I am noting them down and I'm going back to the United States. I'll have a chance to talk with our new Secretary of the Treasury, and so I'll pass some information along. But at any rate, I think it's already been shown that the new Secretary of the Treasury, Nick Brady, has been ready to work very constructively with his colleagues in Mexico in trying to look at your problems and our problems to see what we can do about them. But I wouldn't want to say anything substantive about the debt issue, because it is something that will have to be worked out very carefully.

Q. Why don't we touch the drug problem? Do you think both countries have worked together enough to fight this problem? Are you satisfied, is the United States satisfied, with what has been done in Mexico?

A. I was very struck by the way President Salinas handled this problem at his inaugural address, which incidentally, I thought was a very strong address. I was quite struck by it. But at any rate, he stepped up to the drug problem in a very forceful way, and it was clear from what he said that he is not satisfied with the way things are going, and I'm sure that people in the United States are not satisfied.

None of us is doing enough, and we have to sort of take a deep breath and say we must really get after this in the United States. We have to do something about the demand for drugs, and we are, but we have a big battle on our hands and a big responsibility on our hands. Of course, then there is the question of the supply that worries you here—and worries us—that there is a very substantial flow from here. It isn't only the problems that [it] creates for us, but it creates lots of problems for you, as President Salinas pointed out. This is an example of the problem that is a very important one for both countries and both new Presidents, as was true of the outgoing Presidents. They are, I think, prepared to be fully engaged in doing everything possible again about it, and I was very glad to hear what President Salinas said in his address.

Q. Would you say that drugs at their time were a major concern and maybe with the Camarena case made the relationship at its lowest point we have seen in years?

A. That was a very tough case, and the problem still is an edgy problem on all sides. At the same time, we have had good constructive work together, and that's what we need to push on and push on hard.

Q. It's a major concern here in Mexico in terms of illegal workers who cross the border and go to the United States. Do you think there is a way in which both countries can work together? Apparently there is no easy solution to this Simpson-Rodino law. Apparently it has not given the results you expected. Can you give us your opinion about this?

A. It wouldn't be quite so much of that judgment. I think it has begun to settle in, and I have a sense that the problem of illegal immigrants as illegal workers is not as great as it was; at least we feel we have some handles on it. As a matter of fact, more generally the work on our border on all the various issues—naturally if you have a long border you have environmental issues, you have all sorts of issues, that a lot of progress has been made on that area too. I have a sense that on this illegal worker issue, we are a little better off than we were, not that it isn't still a problem.

I asked when we were coming down—talking in our party before coming here—a person who would know how many border crossings there are between the United States and Mexico. How many times does a human being go across the border in a year?

Q. It's very hard to tell if it's a million or if it's 5 million people.

A. Apparently it's up in the neighborhood of 80 million. It's gigantic. This shows how rich and large and human the relationship between Mexico and the United States is. We have to work with each other, and we have to live with each other. We have to respect each other. I think in President Salinas' speech, he talked about going about this in a balanced way, in a way that showed mutual respect. I think that is absolutely right, and that is the way I'm sure the United States intends to proceed with it. I'm sure it received notice here in Mexico, as it did in the United States, that the first then prospective head of state who was Mr. Salinas—who was still President-elect at that time—but the first head of state, so to speak, that President-elect Bush traveled somewhere to go and see was the incoming President of Mexico. I think that tells you something about attitudes that President Bush will be bringing into this relationship.

Q. So we are good neighbors, and we can expect more from the relationship?

U.S. Supports Panama's National Unity Plan

DEPARTMENT STATEMENT,
NOV. 25, 1988¹

The Plan for National Unity, released by the opposition in Panama yesterday, is a welcome effort to set out a plan for the resolution of the political crisis in Panama and the recovery of the Panamanian economy. It is an important attempt to create the conditions for national reconciliation in a post-Noriega Panama.

We endorse Panamanian efforts to work with the Panamanian Defense Force to reestablish political stability,

and we look forward to working with a professional Panamanian Defense Force in meeting our joint responsibilities for defense of the canal. We support this unified Panamanian effort, and we agree with the opposition political parties that political stability can only return if Noriega steps down. Likewise relations between the United States and Panama cannot be normalized as long as Noriega continues to exercise power unlawfully.

¹Read to news correspondents by Department spokesman Charles Redman. ■

A. We are going to try our very best to be good neighbors. We know that there are lots of problems, and you touched on some of the key ones, and they are not going to go away easily. There'll be hard work on them, and there'll be times when we'll be a little edgy about it and you will be too. But the big thing is to have a constructive and respectful attitude and to try to get the problems solved. I feel sure that that is the way in which President Bush and the people working with him are going to approach this. From all I can tell from President Salinas' address, that seems to be his orientation as well. I'm looking forward to an opportunity to meet with him a little later. He has done me the honor of giving me an appointment, and I look forward to that.

Q. We know we have a surplus Mexico in the trade relationship. Would the United States be willing help us out in terms of buying more and reducing what we will call "protective measures" on your behavior?

A. Trade has to take place on commercial terms, and if you can bring things to the United States that American consumers want to buy, then that will cause that flow. What we, of course, want is an ability to have a similar situation of U.S. goods and services coming into Mexico; and we have seen growth of trade. It is balanced in your favor, as they say, but, at any rate, these are things that come about through the operation of the commercial system. We'll want our chances in your markets, just as you want them into our markets.

Q. We are a bit smaller in terms of billing at the same level, don't you think?

A. Your population is smaller, your GNP is smaller, but that doesn't really affect, particularly, the trade relationship. There are lots of small countries around the world—a lot smaller than Mexico—which have very strong trade relationships with us.

Q. Japan?

A. No, Japan is bigger than Mexico. But take, for instance, Singapore which is tiny in relationship to you. It has a big trading relationship with Singapore.

Q. You will be leaving office very soon. What should we remember Secretary of State Shultz for? How would you like us to remember your years in office? How would you like people to remember you?

A. As a friend of Mexico.

Q. Thank you very much. Is there something you would like to

A. No, I think you've gone through a lot of problems here. The general feeling that I have and would impart, speaking on behalf of my country to the people of Mexico, is that we want to be good neighbors. We want to be friends. We believe that we do a pretty good job of trying to understand the world as we see it. We want you to do the same. Just as we are concerned. We know there are problems, and we are ready to roll up our sleeves and work with you in trying to resolve them to our mutual satisfaction.

Press release 251 of Dec. 9, 1988. ■

Current Actions

MULTILATERAL

Arbitration

Convention on the recognition and enforcement of foreign arbitral awards. Done at New York June 10, 1958. Entered into force June 7, 1959; for the U.S. Dec. 29, 1970. TIAS 6997.

Notification of succession deposited: Antigua and Barbuda, Oct. 25, 1988.

Atomic Energy

Amendment of Article VI.A.1 of the Statute of the International Atomic Energy Agency of Oct. 26, 1956, as amended (TIAS 3873, 5284, 7668). Done at Vienna Sept. 27, 1984.¹ [Senate] Treaty Doc. 99-7.

Acceptance deposited: Burma, Dec. 5, 1988.

Biological Weapons

Convention on the prohibition of the development, production, and stockpiling of bacteriological (biological) and toxin weapons and on their destruction. Done at Washington, London, and Moscow Apr. 10, 1972. Entered into force Mar. 26, 1975. TIAS 8062.

Accession deposited: Bahrain, Oct. 28, 1988.²

Consular Relations

Vienna convention on consular relations. Done at Vienna Apr. 24, 1963. Entered into force Mar. 19, 1967; for the U.S. Dec. 24, 1969. TIAS 6820.

Notification of succession deposited: Antigua and Barbuda, Oct. 25, 1988.

Customs

Customs convention on containers, with annexes and protocol of signature. Done at Geneva May 18, 1956. Entered into force Aug. 4, 1959; for the U.S. Mar. 3, 1969. TIAS 6634.

Notification of succession deposited: Antigua and Barbuda, Oct. 25, 1988.

Environmental Modification

Convention on the prohibition of military or any other hostile use of environmental modification techniques, with annex. Done at Geneva May 18, 1977. Entered into force Oct. 5, 1978; for the U.S. Jan. 17, 1980. TIAS 9614.

Notification of succession deposited: Antigua and Barbuda, Oct. 25, 1988.

Fisheries

Pacific Island regional fisheries treaty. Done at Port Moresby Apr. 2, 1987. Entered into force June 15, 1988. [Senate] Treaty Doc. 100-5. Ratification deposited: New Zealand, Nov. 9, 1988.³

Genocide

Convention of the prevention and punishment of the crime of genocide. Adopted at Paris Dec. 9, 1948. Entered into force Jan. 12, 1951.

Ratification deposited: U.S., Nov. 25, 1988.^{2,4}

Proclaimed by the President: Dec. 27, 1988.

Enters into force for the U.S.: Feb. 23, 1989.

Notification of succession deposited: Antigua and Barbuda, Oct. 25, 1988.

Judicial Procedure

Convention on the service abroad of judicial and extrajudicial documents in civil or commercial matters. Done at The Hague Nov. 15, 1965. Entered into force Feb. 10, 1969. TIAS 6638.

Accession deposited: Canada, Sept. 26, 1988.

Load Lines

International convention on load lines, 1966. Done at London Apr. 5, 1966. Entered into force July 21, 1968. TIAS 6331, 6629, 6720.

Accession deposited: Mauritius, Oct. 11, 1988.

Marriage

Convention on consent to marriage, minimum age for marriage, and registration of marriages. Done at New York Dec. 10, 1962. Entered into force Dec. 9, 1964.⁵

Notification of succession deposited: Antigua and Barbuda, Oct. 25, 1988.

Narcotic Drugs

Convention on psychotropic substances. Done at Vienna Feb. 21, 1971. Entered into force Aug. 16, 1976; for the U.S. July 15, 1980. TIAS 9725.

Accession deposited: Canada, June 18, 1987, effective Dec. 9, 1988.²

Nuclear Material—Physical Protection

Convention on the physical protection of nuclear material, with annexes. Done at Vienna Oct. 26, 1979. Entered into force Feb. 8, 1987.

Accession deposited: Japan, Oct. 28, 1988.

Nuclear Weapons—Nonproliferation

Treaty on the nonproliferation of nuclear weapons. Done at Washington, London, and Moscow July 1, 1968. Entered into force Mar. 5, 1970. TIAS 6839.

Accession deposited: Bahrain, Nov. 3, 1988.

Oil Pollution

Protocol of 1984 to amend the international convention on civil liability for oil pollution damage, 1969, and the protocol of 1984 to amend the international convention on the establishment of an international fund for compensation for oil pollution damage, 1971. Done at London May 25, 1984.¹ [Senate] Treaty Doc. 99-12.

Ratification deposited: Germany, Fed. Rep. of, Oct. 18, 1988.⁶

Organization of American States

Protocol of amendment to the Charter of the Organization of American States "Protocol of Cartagena de Indias." Signed at Cartagena de Indias, Colombia, Dec. 5, 1985.

Signature: St. Vincent and the Grenadines, Sept. 28, 1987.

Ratifications deposited: Bolivia, El Salvador, Nicaragua, Nov. 16, 1988; Mexico, Oct. 11, 1988;⁷ St. Vincent and the Grenadines, Sept. 28, 1987; Suriname, Nov. 12, 1987.

Entered into force: Nov. 16, 1988.⁵

Pollution

Convention for the protection of the ozone layer, with annexes. Done at Vienna Mar. 22, 1985. Entered into force Sept. 22, 1988. [Senate] Treaty Doc. 99-9.

Ratification deposited: Italy, Sept. 19, 1988.

Accessions deposited: Ireland, Malta, Sept. 15, 1988; Kenya, Nov. 9, 1988.

Montreal protocol on substances that deplete the ozone layer, with annex. Done at Montreal Sept. 16, 1987.¹ [Senate] Treaty Doc. 100-10.

Signatures: Austria, Aug. 29, 1988; Burkina Faso, Philippines, Sept. 14, 1988; Congo, Ireland, Malta, Thailand, Uganda, Sept. 15, 1988.

Ratifications deposited: Kenya, Nov. 9, 1988; Uganda, Sept. 15, 1988.

Acceptance deposited: U.S.S.R., Nov. 10, 1988.

Protocol to the convention on long-range transboundary air pollution of Nov. 13, 1979, (TIAS 10541) concerning monitoring and evaluation of long-range transmission of air pollutants in Europe (EMEP), with annex. Done at Geneva Sept. 28, 1984. Entered into force Jan. 28, 1988.

Accession deposited: Poland, Sept. 14, 1988.

Postal

Money orders and postal travelers' checks agreement, with detailed regulations and final protocol. Done at Hamburg July 27, 1984. Entered into force Jan. 1, 1986; for the U.S. June 6, 1986.

Ratifications deposited: Chad, Jan. 28, 1987; Syria, Oct. 25, 1988.

Postal parcels agreement, with final protocol and detailed regulations. Done at Hamburg July 27, 1984. Entered into force Jan. 1, 1986; for the U.S. June 6, 1986.

Ratifications deposited: Bolivia, Aug. 16, 1988; New Zealand, Nov. 17, 1988; Oman, July 26, 1988; Syria, Oct. 25, 1988; Venezuela, Aug. 2, 1988.

Third additional protocol to the constitution of the Universal Postal Union of July 10, 1964, general regulations, with annex, and the universal postal convention, with final protocol and detailed regulations. Done at Hamburg July 27, 1984. Entered into force Jan. 1, 1986; for the U.S. June 6, 1986.

Ratifications deposited: Bolivia, Aug. 16, 1988; Chad, Jan. 28, 1987; New Zealand, Nov. 17, 1988; Oman, July 26, 1988; Syria, Oct. 25, 1988; Venezuela, Aug. 2, 1988.

Prisoner Transfer

Convention on the transfer of sentenced persons. Done at Strasbourg Mar. 21, 1983. Entered into force July 1, 1985. TIAS 10824.

Signature: Malta, Nov. 4, 1988.

Property—Intellectual

Convention establishing the World Intellectual Property Organization. Done at Stockholm July 14, 1967. Entered into force Apr. 26, 1970; for the U.S. Aug. 25, 1970. TIAS 6932.

Accession deposited: Malaysia, Oct. 1, 1988.

Racial Discrimination

International convention on the elimination of all forms of racial discrimination. Done at New York Dec. 21, 1965. Entered into force Jan. 4, 1969.⁵

Notification of succession deposited: Antigua and Barbuda, Oct. 25, 1988.

Rubber

International natural rubber agreement, 1987, with annexes. Done at Geneva Mar. 20, 1987.¹ [Senate] Treaty Doc. 100-9. Senate advice and consent to ratification: Sept. 7, 1988.

Instrument of ratification signed by the President: Nov. 3, 1988.

Ratification deposited: U.S., Nov. 9, 1988.

Notification of provisional application: France, Oct. 7, 1988.

Safety at Sea

Protocol of 1978 relating to international convention for the safety of life at sea, 1974 (TIAS 9700). Done at London Feb. 17, 1978. Entered into force May 1, 1981. TIAS 10009.

Accession deposited: Indonesia, Aug. 23, 1988.

Satellite Communications System (INMARSAT)

Amendments to the convention and opening agreement on the International Maritime Satellite Organization (INMARSAT) of Sept. 3, 1976 (TIAS 9605). Adopted at London Oct. 16, 1985.¹

Acceptances deposited: Egypt, Sept. 13, 1988;⁸ Germany, Fed. Rep. of, Oct. 7, 1988; Singapore, Oct. 6, 1988.

Satellites—Program-Carrying Signals

Convention relating to the distribution program-carrying signals transmitted by satellite. Done at Brussels May 21, 1974. Entered into force Aug. 25, 1979; for the U.S. Mar. 7, 1985. [Senate] Treaty Doc. 98-31.

Accession deposited: U.S.S.R., Oct. 20, 1988.

Sugar

International sugar agreement, 1987, with annexes. Done at London Sept. 11, 1987. Entered into force provisionally Mar. 2, 1988.

Ratification deposited: Korea, Rep. of, Oct. 31, 1988.

Telecommunication

International telecommunication convention, with annexes and protocols. Done at Nairobi Nov. 6, 1982. Entered into force Jan. 1, 1984; for the U.S. Jan. 10, 1986. [Senate] Treaty Doc. 99-6.

Accession deposited: Western Samoa, Oct. 7, 1988.

Terrorism

Convention to prevent and punish the terrorism taking the form of crimes against persons and related extortion are of international significance. Signed at Washington Feb. 2, 1971. Entered into force Oct. 16, 1973; for the U.S. Oct. 1, 1976. TIAS 8413.

Ratifications deposited: Panama, Nov. 1988; Peru, July 8, 1988.

Timber

International tropical timber agreement 1983, with annexes. Done at Geneva Nov. 18, 1983. Entered into force provisionally Apr. 1, 1985; for the U.S. Apr. 26, 1985.

Ratification deposited: Gabon, Oct. 31, 1988.

Tonnage

International convention on tonnage measurement of ships, 1969, with annexes. Done at London June 23, 1969. Entered into force July 18, 1982; for the U.S. Feb. 1983. TIAS 10490.

Accession deposited: Mauritius, Oct. 1, 1988.

United Nations—Privileges and Immunities

Convention on the privileges and immunities of the United Nations. Done at New York Feb. 13, 1946. Entered into force Jan. 17, 1946; for the U.S. Apr. 29, 1970. S 6900.

Notification of succession deposited: Antigua and Barbuda, Oct. 25, 1988.

Whaling

International whaling convention and schedule of whaling regulations. Done at Washington Dec. 2, 1946. TIAS 1849. Notification of withdrawal: Egypt, Nov. 29, 1988. Effective June 30, 1989.

Trade convention, 1986. Done at London Mar. 14, 1986. Entered into force Jan. 1, 1986; for the U.S. Jan. 27, 1988. [State] Treaty Doc. 100-1. Notification of succession deposited: Israel, Nov. 21, 1988.

Convention on the elimination of all forms of discrimination against women. Done at New York Dec. 18, 1979. Entered into force Dec. 3, 1981.⁵ Notification deposited: Sierra Leone, Nov. 11, 1988.

Convention on the political rights of women. Done at New York Mar. 31, 1953. Entered into force July 7, 1954; for the U.S. July 7, 1976. TIAS 8289. Notification of succession deposited: Antigua and Barbuda, Oct. 25, 1988.

INTERNATIONAL EXPRESS MAIL AGREEMENT

International express mail agreement, with schedule of regulations. Signed at La Paz and Washington Aug. 10 and Nov. 21, 1988. Entered into force Dec. 15, 1988.

Memorandum of agreement on liability for satellite launches. Signed at Washington Dec. 17, 1988. Enters into force upon U.S. notification of approval of a license for export of the AsiaSat or AUSSAT satellite(s) to China for launch therein.

Memorandum of agreement on satellite launch technology safeguards. Signed at Washington Dec. 17, 1988. Enters into force upon U.S. notification of approval of license for the export of the AsiaSat or AUSSAT satellite(s) to China for launch therein.

Costa Rica

Agreement amending the agreement of June 3, 1988, for sales of agricultural commodities. Effected by exchange of notes at San Jose Oct. 17, 1988. Entered into force Oct. 17, 1988.

Egypt

Agreement relating to the agreement of June 7, 1974, as amended, (TIAS 7855) for sales of agricultural commodities. Signed at Cairo Oct. 13, 1988. Entered into force Oct. 13, 1988.

Memorandum of understanding relating to the coproduction of the M1A1 tank in Egypt, with annexes. Signed at Cairo Nov. 1, 1988. Entered into force Nov. 1, 1988.

El Salvador

Agreement relating to the agreement of Mar. 10, 1988, for sales of agricultural commodities. Signed at San Salvador Nov. 3, 1988. Entered into force Nov. 18, 1988.

Honduras

Protocol II to the military assistance agreement of May 20, 1954 (TIAS 2975), concerning the conduct of combined military exercises and maneuvers, with annex. Signed at Tegucigalpa Nov. 14, 1988. Enters into force through an exchange of notes confirming that both governments have completed their respective procedures.

Hungary

Agreement amending the arrangement of Feb. 2 and 3, 1984, relating to a visa system for exports to the United States of wool textiles and textile products. Effected by exchange of letters at Budapest Oct. 27 and 31, 1988. Entered into force Oct. 31, 1988.

Indonesia

Agreement relating to the agreement of June 3, 1988, for sales of agricultural commodities. Signed at Jakarta Oct. 22, 1988. Entered into force Oct. 22, 1988.

International Natural Rubber Organization

Tax reimbursement agreement. Signed at Kuala Lumpur Oct. 5, 1988. Entered into force Oct. 5, 1988.

Israel

Agreement extending the memorandum of understanding of Jan. 12 and 16, 1984, for cooperation in the fields of social services and human development. Effected by exchange of letters at Jerusalem and Washington Sept. 23 and Oct. 28, 1988. Entered into force Oct. 28, 1988; effective Jan. 15, 1989.

Italy

Protocol amending the air transport agreement of June 22, 1970 (TIAS 6957). Signed at Washington Oct. 25, 1988. Enters into force on the 15th day following the date of a subsequent exchange of notes covering the Italian instrument of ratification.

Japan

Agreement on cooperation in the development of the support fighter (FS-X) weapon system. Effected by exchange of notes at Tokyo Nov. 29, 1988. Entered into force Nov. 29, 1988.

Memorandum of understanding covering cooperation in the field of earth sciences. Signed at Tsukuba and Reston Oct. 13 and 28, 1988. Entered into force Oct. 28, 1988.

Kenya

Agreement for sales of agricultural commodities. Signed at Nairobi Oct. 17, 1988. Entered into force Oct. 17, 1988.

Mexico

Agreement amending the agreement of June 18, 1982 (TIAS 10535), as amended, relating to assignments and usage of television broadcasting channels in the frequency range 470-806 MHz (channels 14-69) along the U.S.-Mexico border. Signed at Mexico City Nov. 21, 1988. Entered into force provisionally Nov. 21, 1988; enters into force definitively upon notification of completion by Mexico of the requirements of its national legislation.

Agreement modifying the agreement of Apr. 18, 1962, as amended, (TIAS 5043, 8185, 9641, 9746, 10447) relating to the assignment and use of television channels along the U.S.-Mexico border. Effected by exchange of notes at Mexico City Sept. 14 and 26, 1988. Entered into force Sept. 26, 1988.

Micronesia

Maritime search and rescue agreement. Signed at Honolulu June 10, 1988. Entered into force June 10, 1988.

Morocco

Agreement relating to the agreement of June 25, 1987, for sales of agricultural commodities. Signed at Rabat Oct. 20, 1988. Entered into force Oct. 20, 1988.

Peru

Agreement amending the agreement of Jan. 3, 1985, as amended, relating to trade in cotton, wool, and manmade fiber textiles and textile products. Effected by exchange of letters at Washington Nov. 27, 1987, Jan. 6, Feb. 3, Mar. 18, June 2 and 10, 1988. Entered into force June 10, 1988.

Poland

Memorandum of understanding on cooperation in geoscience research, with annex. Signed at Washington and Warsaw July 1, Aug. 25, Sept. 25, and Oct. 24, 1988. Entered into force Oct. 24, 1988.

Spain

Agreement on defense cooperation, with annexes and related letters. Signed at Madrid Dec. 1, 1988. Enters into force upon written communication between the parties that they have satisfied their respective constitutional requirements.

Switzerland

Memorandum of understanding concerning defense acquisition, with annex. Signed at Washington and Bern Oct. 25 and Nov. 1, 1988. Entered into force Nov. 1, 1988.

Thailand

Treaty on cooperation in the execution of penal sentences. Signed at Bangkok Oct. 29, 1982.

Ratifications exchanged: Dec. 7, 1988.

Entered into force: Dec. 7, 1988.

Turkey

Agreement concerning trade in cotton and manmade fiber textiles and textile products, with annexes. Effected by exchange of notes at Ankara Oct. 19 and Nov. 16, 1988. Entered into force Nov. 16, 1988; effective July 1, 1988.

Uganda

International express mail agreement, with detailed regulations. Signed at Kampala and Washington Oct. 4 and Nov. 3, 1988. Entered into force Dec. 15, 1988.

U.S.S.R.

Agreement on mutual fisheries relations, with annexes. Signed at Moscow May 31, 1988.
Entered into force: Oct. 28, 1988.
Supersedes agreement of Nov. 26, 1976, as amended and extended, (TIAS 8528, 10531) and agreement of Feb. 21, 1988.

Treaty on the elimination of their intermediate-range and shorter-range missiles, with memorandum of understanding and protocols. Signed at Washington Dec. 8, 1987. Entered into force June 1, 1988.
Proclaimed by the President: Dec. 27, 1988.

United Kingdom

Agreement (on behalf of the Government of Bermuda) for the exchange of information with respect to taxes. Signed at Washington Dec. 2, 1988. Entered into force Dec. 2, 1988.

Master information exchange arrangement, with annex. Signed at London Sept. 6, 1988. Entered into force Sept. 6, 1988.

Uruguay

Agreement amending the administrative arrangement of Aug. 24 and Sept. 13, 1984, as amended, for a visa system relating to trade in certain textile products. Effected by exchange of notes at Montevideo Apr. 8, July 14, and Oct. 4, 1988. Entered into force Oct. 4, 1988.

Yugoslavia

Memorandum of understandings relating to the air transport agreement of Dec. 15, 1977, as amended, (TIAS 9364) and the nonscheduled air services agreement of Sept. 27, 1973, as amended, (TIAS 7819, 9460). Signed at Washington Oct. 21, 1988. Enters into force on the date of an exchange of notes indicating approval of the respective parties in accordance with their constitutional requirements.

¹Not in force.

²With reservation(s).

³Applicable to Tokelau.

⁴With understanding(s).

⁵Not in force for the U.S.

⁶Applies to Berlin (West).

⁷With statement(s).

⁸Accepted the convention only. ■

Department of State

Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

No.	Date	Subject
*247	12/1	Shultz: remarks at National Foreign Affairs Training Center ceremony, Arlington Hall Station, Nov. 29.
248	12/1	<i>American Foreign Policy: Foreign Affairs Press Briefings, 1984</i> released.
249	12/5	Shultz: interview on ABC-TV's "This Week With David Brinkley," Dec. 4.
*250	12/5	Shultz: remarks following exchange of instruments of ratification of the U.S.-Bermuda Tax Treaty, Dec. 2.
251	12/9	Shultz: interview on Televisa Mexico, Mexico City, Dec. 1.
*252	12/7	Shultz: statement and question-and-answer session following meeting with Mexican President Carlos Salinas de Gortari, Mexico City, Dec. 1.
*253	12/7	Shultz: news conference, Governor's Island, New York.
*254	12/9	Whitehead: address at the ceremony commemorating the 40th anniversary of the signing of the Universal Declaration of Human Rights, Dec. 8.
255	12/12	Shultz: news conference following NATO ministerial meeting, Brussels, Dec. 8.

256	12/12	Shultz, Delors: news conference following EC ministerial meeting, Brussels, Dec. 9.
257	12/14	Shultz: news briefing on U.S. dialogue with the PLO.
258	12/20	Shultz: toast on the 10th anniversary of U.S.-P.R.C. diplomatic relations, Dec. 15.
*259	12/20	Shultz: remarks at tree lighting ceremony, Dec. 16.
260	12/28	Shultz: statements at signing ceremony for the tripartite agreement among Angola, Cuba, South Africa and the lateral agreement between Angola and the United Nations, Dec. 27.
261	12/29	<i>American Foreign Policy Current Documents</i> , released.

*Not printed in the BULLETIN.

Department of State

Free single copies of the following Department of State publications are available from the Public Information Division, Bureau of Public Affairs, Department of State, Washington, D.C. 20520.

Africa

Tripartite Agreement on Southwestern Africa: Blueprint for Peace and Namibian Independence (Regional Brief, Dec 1988).

Arms Control

Conference on Chemical Weapons Use (Public Information Series, Dec. 1988).

Economics

U.S. Stance Toward the Soviet Union: Trade and Technology, Senior Representative for Strategic Technology Policy, Wendt, The Houston Club, Houston, Oct. 27, 1988 (Current Policy #1128).
EC Project 1992: The Dynamics of CEE, U.S. Representative to the OECD, Washington International Business Council, Sept. 9, 1988 (Current Policy #1132).

American Leadership in International Trade, Under Secretary Wallis, annual meeting of the President's Export Council, Nov. 28, 1988 (Current Policy #1133).
OECD Arrangement on Export Credits (GIST, Dec. 1988).

U.S. Trade Objectives in the Uruguay Round (Public Information Series, Dec. 1988).

American Foreign Policy: Foreign Affairs Press Briefings, 1984, Supplement Released

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Agenda for U.S.-Soviet Cooperation, Policy Planning Staff Director Solomon, Soviet Ministry of Foreign Affairs, Moscow, Nov. 2, 1988 (Current Policy 1129).

man Rights

40th Anniversary: Universal Declaration of Human Rights (Public Information Series, Dec. 1988).

iddle East

Search for Middle East Peace, Assistant Secretary Murphy, Center for Strategic and International Studies symposium, Dec. 8, 1988 (Current Policy 1138).

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Freedom of Navigation Program (GIST, Dec. 1988).

ence & Technology

ELSAT (GIST, Dec. 1988).
International Communications and Information Policy (GIST, Dec. 1988).

th Asia

Afghanistan: Soviet Occupation and Withdrawal (Special Report #179, Dec. 1988).

orism

Countering Terrorism in the 1980s and 1990s, Ambassador Bremer, George Washington University conference on terrorism, Nov. 22, 1988 (Current Policy 1135).

ted Nations

Overview of U.S. Arms Control Objectives, ACDA Director Burns, UNGA Committee I, Oct. 18, 1988 (Current Policy #1130).

Steps Toward a Cambodian Settlement, Ambassador Walters, UNGA, Nov. 3, 1988, with text of House Joint Resolution 2 of Oct. 18, 1988 (Current Policy 1131).

United Nations: Progress in the 1980s, Assistant Secretary Williamson, American Academy of Diplomacy and the Woodrow Wilson International Center for Scholars, Oct. 19, 1988 (Current Policy 1134).

tern Hemisphere

Panama and the Canal Treaties: An Update (GIST, Dec. 1988).

Situation in Central America (Public Information Series, Nov. 1988). ■

The Department of State has just published [December 1, 1988] on microfiche the full transcripts of the daily press briefings conducted by the Department's press spokesmen, as well as of the special briefings by senior Department and White House officials, on current major foreign affairs crises and issues during 1984. These transcripts highlight the discourse that takes place daily between authorized government spokesmen and representatives of the print, radio, and television media.

The briefings cover the full range of foreign policy issues and crises that occurred in 1984. Of major importance are the U.S.-Soviet relationship, including the Soviet military presence in Afghanistan, Soviet reaction to the Strategic Defense Initiative (SDI), and U.S. contacts with Soviet leaders Andropov and Chernenko. President Reagan's and Secretary of State Shultz's meetings with Soviet Foreign Minister Gromyko in the fall of 1984 prepared the way for a bilateral announcement at the end of the year to resume negotiations on a wide range of questions concerning nuclear and outer space arms.

The briefings also provide principal policy statements on President Reagan's trip to China and to Europe for the London economic summit conference and the 40th anniversary of the Normandy invasion. Secretary Shultz's trips to Central and South America and Europe, regional conflicts in the Middle East, U.S. policies toward El Salvador and Nicaragua, the Contadora peace process, developments in U.S.-Cuban relations, the question of steel imports and other foreign trade matters, emergency food aid to Ethiopia and other drought-stricken African nations, the conflict over apartheid in South Africa, U.S. withdrawal from UNESCO [UN Educational, Scientific and Cultural Organization], NATO ministerial meetings, and visits of foreign leaders and heads of state to the United States.

The documents presented are in two parts: I. Department of State Daily Press Briefings; and II. Department of State and White House Special Press Briefings. A printed guide, which con-

tains a comprehensive index for both parts, is also included.

This publication provides the public with direct access to a unique body of documents that present the Reagan Administration's positions on a wide range of foreign policy issues. The transcripts will help researchers gain a more precise understanding of the give-and-take between the briefer and the press and of the exact nature and severity of the issues and to obtain verbatim quotations made by the spokesmen.

American Foreign Policy: Foreign Affairs Press Briefings, 1984, Supplement is intended to be used as a supplement to the printed volume *American Foreign Policy: Current Documents, 1984*, which is one of many volumes in the *American Foreign Policy* series begun in 1950. Some of the full texts reproduced in the microfiche supplement were published in extracted form in the printed volume. In addition to the 1984 book, volumes for 1981, 1982, 1983, 1985, and 1986 have also been printed recently. Microfiche supplements for 1981, 1982, and 1983 were published in the last few years. The subtitle to this 1984 edition has been changed from *Current Documents*, which was used for previous supplements to the series. The new subtitle more accurately describes the contents of the publication. Supplements for 1985 and subsequent years are in preparation.

This microfiche publication was prepared in the Office of the Historian, Bureau of Public Affairs, Department of State. It comprises about 325 documents totaling about 6,000 pages on 61 microfiche cards.

Copies of the microfiche series may be purchased for \$27.00 from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 (Department of State Publication No. 9652, GPO Stock No. 044-000-02226-5). Checks or money orders should be made payable to the Superintendent of Documents.

Press release 248 of Dec. 1, 1988. ■



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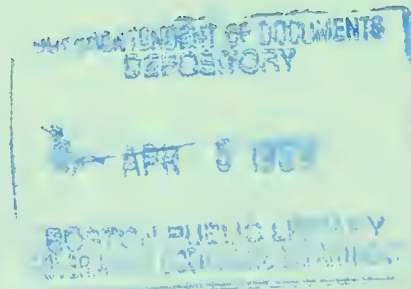
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Public Service in America

Secretary Shultz's address before Citizens Network for Foreign Affairs on January 9, 1989.¹

I really appreciate deeply this evening of you here, such a distinguished group of people—people I've known and worked with, going way back to my first time in Washington. And it's a pleasure to be sponsored by the Citizens Network. I've always felt what it stands for is the idea of public service and the idea of American engagement in the world. Certainly Mel Laird, Joe Fowler, and Leonard Marks stand for that. So I appreciate very much the fact that you're here and for this sponsorship.

A new American Administration is about to take office. We will have a new President and a new Secretary of State. There will be new ideas and a new vision of the future.

This is as it should be. For over two centuries, we have renewed our government at 2- and 4-year intervals. The best way we know to give Washington a fresh infusion of public

We are now in the midst of transition—not only to a new Administration but to a new era in world affairs. Some have said that the cold war is over. It may be true. Or it might be more accurate to say, as President-elect Bush said, that the postwar era is over. Consider these significant changes.

- The fear of nuclear war has been greatly diminished.
- We have embarked on a new relationship with the Soviet Union that promises a lessening of superpower tensions and a more cooperative approach to world problems.
- A new global economy based on information and openness is steadily replacing the old divisions based on national borders and ancient rivalries.
- We have made important progress in resolving long and bitter national conflicts.
- And most heartening of all, human rights, the rule of law, and the practice of democracy have begun to take root in new locations of the world.

We face new difficulties, too. Progress in nuclear arms control is mocked by the spread of chemical weapons. Vast international imbalances mark a transition to the global economy. The democracies are still menaced—by terrorism, by the international drug trade, by dangerous conventional military asymmetries in Europe and elsewhere. There is no shortage of political, ethnic, and religious strife in our world.

Yet on the whole, the facts suggest optimism, especially optimism about America's future. I reflect on my years in Washington not only as Secretary of State, but also at Treasury, at what we now call the Office of Management and Budget, at the Department of Labor, and the Council of Economic Advisers. I find that while some things are worse, much is better. There can be no doubt that the United States, its allies and friends, are stronger, more prosperous, and more secure today than they were a decade ago. But of all the changes, the most important is the ascendancy of an idea—the idea of democracy.

We saw it vividly, a snapshot of our times, last month. There in New York stood President Reagan and President-elect Bush. General Secretary Gorbachev stood beside them. And above them presided the Statue of Liberty, the symbol of our democracy.

Precepts of Public Service

As a university man, I believe in ideas. As an American, I believe in the idea of democracy. And this idea, which was so embattled, so much on the defensive when I came to Washington over three decades ago, is now lighting the way for the hopes and aspirations of countless millions around the world.

We Americans did not invent democracy. We do not have a patent on its processes. But we do have a tradition and a responsibility to make good on the promises of democracy, for ourselves and for the world. And that responsibility can only be exercised through "public service."

To me, public service means far more than the classic neutral bureaucracy of the sociologists and the political scientists. It's an unwritten doctrine, seen and understood in the practice. It rests on three precepts:

• First, on **trust**—the democratic trust in the ability of the people to select their government, trust within the government that the people's will is to be served and that we will deal with each other honestly. Trust is the coin of the realm.

• Second, it depends on **diversity**—a free society drawing on the talents of many people from all backgrounds. We are a free society which now as ever attracts immigrants from far around the globe and is an elite of the common people. Public service must reflect the diversity of America.

• Third, public service is **voluntary**—nowhere is it decreed or written that Americans must serve the public interest. We don't even have a draft anymore. But a society composed only of self-seekers, no matter how finely written its constitution, cannot function. This country of rugged individuals is also built on volunteers, on our understanding that our own self-interest is best served if we also serve each other and our country.

Today the concept of public service goes a step further. We have entered a new international era, and public service needs an international dimension. Just as an individual may be dedicated to the national interest, so a country may be dedicated to an international interest. The new global era owes much to our political, scientific, technical, and commercial creativity. Clearly America's national interest is served best by being "engaged," by continuing to shape the new developments we have done so much to create. So public service in our times also means international engagement.

And, just as public service within our country rests on pillars of trust, diversity, and voluntarism, so does the international dimension of public service. We trust that we have something to give the world—it's a matter of confidence in ourselves and our values. We know it's a diverse world, and we must work with many peoples. And at our best, we work for a better world, not

because we're forced to do it but because we want to do it—and because a better world is better for America.

When all is said and done, I believe that democracy needs these precepts of public service to succeed. And in our times, the world needs an American precept of international public service to advance. We must provide leadership and stimulate others to lead as well. If we don't show the will to lead, no one else can.

But as I take leave of office, this is what bothers me. There is today a steady erosion of the precepts of public service in America, which, if it continues, can do enormous harm to our institutions. Progress will become regress. Much that we have achieved will be jeopardized. The idea of democracy itself could once again be put on the defensive. Let me be specific.

Erosion of the Precepts: America in Decline

First, there is an idea afoot that America is in decline and we're in decline because we are engaged abroad. "Over extended," the prophets of decline call it. These are false prophets. I've pointed out, as have others, that the foreign affairs and defense budgets, as percentages of GNP [gross national product], are far lower than they were 20 or 30 years ago. Our economy is far larger. Our economic problems are *not* those of a society unable to produce wealth or jobs. And the economic vitality of our allies was and is a precious asset for us as well as for them.

Great nations of history have suffered decline, but they were imperial or absolutist or dominated by tradition-bound classes. Our nation is none of these. Our democracy holds the potential for resilience and rejuvenation in the face of any challenge. So ours is a winning hand.

Yet the declinists continue to be given a respectful hearing. They touch the old American inclination to withdraw from the world in order to regain economic or moral security. They play to the darker side, to the idea that America no longer has anything to give the world.

They are wrong. We have something to give the world. Moreover, it's not simply a choice of deciding to be engaged and taking risks or disengaging and not taking risks. We are either going to be a source of progress, sta-

bility, and harmony or stand aside to watch conflict, instability, and the decline of the international order. That's the real stake overlooked by the prophets of decline. In our world, we shall not find our souls or the solution to our economic problems in retreat; we may very well find chaos instead.

So let's reject the school of decline which, if believed, cuts off the very rationale for public service.

The Diminishing Trust Within Government

The second erosion of public service stems from a diminution of trust within our government. The founders of our country, through the system of checks and balances, made it clear that they did not expect—or even want—government to be all sweetness and light. Particularly in the area of foreign policy, the constitutional arrangements have been described as an invitation to struggle. But struggle and argument are not necessarily indicative of a lack of trust.

I'm not talking about the process of defining public policy through debate and a sifting of the issues. This is our lifeblood, and I would have it no other way. I'm talking about preventing a dangerous loss of trust that could make even the decision process itself irrelevant. Here are a few thoughts on what it takes to build trust.

- Within an office or department or any organization, putting trust in people will produce trustworthy people. That's the foremost of the many reasons against the widespread and routine use of lie detector tests. Management through fear and intimidation is not the way to promote honesty and protect security.

- Within the executive branch—at a time when domestic and international issues are deeply interrelated and the perspectives of all departments are needed—we need trust that decisions arrived at through proper procedures are actually decisions that will actually be carried out. No one ever gives up around here—including me. It's okay not to give up while the struggle fairly goes on. But leaks and lies too often subvert honest discourse. That's one reason why people keep fighting. Our decisions should be fairly made—and once they are, they should be carried out, like it or not. You live up to your oath of office not just by carrying out

decisions you agree with but by carrying out decisions you don't agree with—or else resigning.

- Finally, we want restored trust between the branches of government, the absence of which can sometime a consensus on foreign policy beyond reach. Some have argued that the problem is in the steady encroachment of Congress on the rightful prerogative of the executive.

That is a problem, but not the problem. The respective roles of the branches change in response to changing conditions. The pendulum swings back and forth. What we have to fear today is not the imperial Congress or the chaotic Congress. Dialogue between the branches cannot yield productive results when, no matter what the apparent agreement, any faction, any staffer, any subcommittee, any Member of Congress can delay and impede the will of the majority. What we have is not so much a crisis of confidence as a crisis of competence—as elements of the legislature seek to conduct the business of the executive.

Adam Smith had it all figured long ago. Specialization increases as the size of the market increases. America plays in a big market today, and specialization is good because it gives the ability to perform a variety of complex tasks.

This is worth thinking about—both for problems within the executive branch and between the executive and legislative branches.

Why do we have different departments in the government? Clearly because they have different roles. Department, agency, or council should fall into the error of thinking that it can do anything or everything. The Defense Department's role is military defense. The CIA's [Central Intelligence Agency] role is intelligence. The NSC [National Security Council] staff role is coordination. The State Department's role is to help develop and then carry out the President's foreign policy.

Of course, each role impinges on the others to varying degrees. So we shouldn't tell Defense how to deploy aircraft carriers in response to a global mission, although it will have a contribution to make on key diplomatic considerations. And Defense shouldn't tell the State how to negotiate with the Soviets, although it must clearly play a part in decisions on issues related to military matters. And the CIA should find policy more fun than intelligence

objective analysis, because when it, its intelligence and analytic prod- have no credibility. I see Bill Web- [CIA Director William Webster], and I'm glad to say he agrees that entirely. And the NSC didn't try to do what the depart- its are designed to do because that ws their job of coordinating off nce.

I can say to you tonight, with great faction, that as Secretary Carlucci retary of Defense Frank Carlucci], eral Powell [National Security ser Colin Powell], and I hand over e new team—which includes Bill ster—the system is in terrific e. So an Administration can work rmony and in success. I'm proud ve been part of this team and ear- nes under President Reagan. In America's work in the world, the ress has a comparative advantage ing some of those tasks, and the tive has a comparative advantage ers. We each need to stick to our ob descriptions. We look to the ress to legislate clearly; they to the executive to administer nsibly.

The Congress, with the executive, ise to the occasion. We've done so one so recently. We need to en- that cooperative ability. Last Senator Danforth and Senator i proposed periodic meetings of ers of Congress with the Secre- of State—and sometimes with the lent—to discuss the larger, longer problems of foreign policy before nfront a specific issue to debate. others responded positively and ly to that proposal, and I urge it for consideration by the new ess and the new Administration.

Engagement Trends

aird erosion of public service can n in the assault against America's ments of engagement with the f the world. This hits at the heart international dimension of public e. It's manifested most clearly by tack on the foreign affairs bud- which has been cut in real terms 25% over the past several years. of the rest is earmarked so we lexibility. nother manifestation is the trend d protectionism. From our ear- lays as a nation, we have known pen trade was the key to growth rosperity. But it is not necessary

to examine the history of the 18th cen- tury to understand the alternative. In our own century, the breakdown of international trade into "beggar-thy- neighbor" protectionism in the late 1920s and 1930s contributed signifi- cantly to the ultimate breakdown of world peace.

There are those who say that "engagement" lacks a political constitu- ency—not so. Every national candidate in the recent elections who advocated protectionism was soundly defeated. Every candidate who sounded a varia- tion of "come home, America" lost. The public opinion polls show consistently that Americans do not support disen- gagement. But, like the decisions proc- ess in government itself, this part of public service—recognizing that the people have decided—is also under as- sault. Escapism, the idea that we can disengage to our advantage, whether through the massacre of the foreign af- fairs budget or economic protection, is just incompatible with the international dimension of public service—and the reality of our world.

Faith in America's Youth

The last and probably most dismaying assault on public service concerns young Americans. We've been told that this is a "me generation." Our young people are supposedly interested only in themselves, in making money, in self-indulgence, in today not tomorrow, in succeeding but not in working to suc- ceed. Don't believe it for a minute.

Let's look at a few facts. Young Americans over the last decade have volunteered in record numbers to de- fend our country. The best and the brightest have flocked to serve our country, to put themselves in harm's way if necessary to defend our values.

Let's look at our schools. The United States has been swept—and it's a healthy and long overdue sweeping—by a school reform movement which emphasizes higher standards, harder work, and far-reaching objectives. It's not just the teachers and the parents demanding better quality. Our children know that the stakes are their future and their country.

There's no shortage of qualified young people seeking service in the Peace Corps, in government, or even elected office. The idea of some volun- tary national service for every able-

bodied American has taken hold as a way to channel the urge for public service in the broadest sense.

Of all the achievements of the last 8 years, the rekindling of America's faith in itself and the faith of America's youth in the future has to be ranked highest on the list. President Reagan knew that in his bones, and our youth knew he had faith in them. That's why the young in America have always been his greatest supporters.

So the idea that we cannot count on our youth when it comes to public service is just as wrong as can be.

And when I speak of public serv- ice, I must put at the center the For- eign Service. These talented and brave Americans are on the front lines of American interests every day. It's no tea party. Every time you enter the State Department lobby, take a look at the two plaques erected in memory of Foreign Service officers who lost their lives. One plaque covers the period up to about 1965. It took two centuries to fill up, and most of the people listed on it died from injury and disease. We've now just about filled up another plaque in only 20 years. Most of those were victims of terrorism. The Foreign Serv- ice exemplifies public service.

Conclusion

So let me sum it all up. Here are the ideas and the practices that are eroding public service: the idea of decline and the idea that America's contributions are past; the lack of confidence in the people's judgment; the folly of disen- gagement, as if America's withdrawal from the world would serve the national interest; lack of faith in our youth.

I know that in Washington very of- ten bad ideas and bad habits drive out good ideas and good habits—a kind of political Gresham's law. But this is one set of bad ideas and bad habits that cannot be allowed to gain the upper hand. If we lose the concept of public service, then we will eventually lose the concept of democracy itself.

Recently, in Washington, you might hear it said that if an official believed his colleagues were honest, decent, public-spirited people, then that official was naive and doomed to frustration and failure. That's why the cynical old sayings are more popular than ever: "If you want a friend in Washington, get a dog" and "never kick a man unless he's down."

James Madison, the man who gave balance to the Constitution, must have heard something similar in his day, for in the Federalist Papers No. 56 he wrote:

As there is a degree of depravity in mankind which requires an active degree of circumspection and distrust, so there are other qualifications in human nature which justify a certain portion of esteem and confidence. Republican government presupposes the existence of these qualities in a higher degree than any other form. Were the pictures which have been drawn by the political jealousy of some among us faithful likenesses of the human character, the inference would be that there is not sufficient virtue among men for self-government; and that nothing less than the chains of despotism can restrain them from destroying and devouring one another.

Well, I've read you this long quotation because, like Madison, I believe men and women everywhere, and especially Americans, have the virtue necessary for self-government. Everywhere today the chains of despotism are being loosened. The reality of human nature, the creativity of the individual, is being recognized as the well-spring of political and economic progress. Yet in the final analysis, the written Constitution and the aspirations of democracy are joined together only by the concept of public service—not as the goal, but as the necessary means of fulfilling our common purpose as a community and nation.

That is the living legacy which ties together the America of a glorious past and the America of an even more glorious future. Let us keep it, cherish it, practice it, defend it against those who mistrust it, and hand it down to successive generations—so that however historians record our struggles, our successes and failures, it may be written of us: They served the public. They engaged the world. They pursued the finest aspirations of our country. ■

Prohibition of Chemical Weapons Conference Held in Paris

The Conference on the Prohibition of Chemical Weapons was held in Paris January 7–11, 1989. Following is Secretary Shultz's address at that conference; his news conference; the text of the final declaration; and a statement by William F. Burns, head of the U.S. delegation and Director of the Arms Control and Disarmament Agency (ACDA).

SECRETARY'S ADDRESS, JAN. 7, 1989¹

As we begin our consideration of the compelling challenge that chemical weapons pose to world security, I have the privilege of conveying to you a message from the President of the United States, Ronald Reagan. It reads:

Distinguished Delegates:

Less than three months ago, I called on the Parties to the Geneva Protocol and other concerned countries to convene a conference for the purpose of restoring respect for the international norms against the illegal use of chemical weapons. Today, thanks to the initiative of President Mitterrand and the French Government, representatives of more than 100 nations are gathered in Paris to reaffirm their commitment to the goal of putting an end to the proliferation of these dreaded weapons and preventing their use.

Your presence underlines the deep concern and alarm shared by all countries of the world over the dangerous spread and resurgent use of one of humanity's most dreaded and dreadful forms of warfare. It demonstrates as well that you share a desire to take the necessary actions to ensure that such weapons are not used again.

The Geneva Protocol of 1925 remains an invaluable and necessary compact, but its objectives can only be achieved if nations comply. Rededication to the objectives of the Geneva Protocol is not just a question of law, but an important step toward securing a safer future for mankind. It is my hope that the participants in the Paris Conference will take that important step.

The Government and people of the United States send our prayers and best wishes for the success of the vital effort you are undertaking.

Indeed, we are brought here today by a horror that has cast a pall over mankind for nearly 100 years—the threat and use of chemical and biological weapons.

History records that on the eve of this troubled century—one that would prove to be burdened with a variety of manmade horrors—the participants of the First Hague Peace Conference of 1899 were moved to condemn chemical weapons. Already, the vicious effect such weaponry could be anticipated, even though our predecessors of 90 years ago had not yet experienced their destructiveness.

But the warnings of The Hague Declaration [of 1899] were not heeded. And, in 1915, in Flanders Fields near Ypres—only 200 kilometers from where we now sit—chemical weapons were first unleashed on a large scale in war. In the First World War, over 1 million people, both soldiers and civilians, suffered casualties from chemical weapons—a grim harbinger of the hundreds of thousands yet to die by this scourge.

The fate of the survivors scarcely was better than that of those who immediately succumbed. An eyewitness later described them:

Faces, arms, hands were a shiny black. With mouths open and lead-glass eyes, they were all swaying backward forwards trying to get their breaths, struggling, struggling for life.

In the Great War, the deadly chemical clouds swept over western and eastern fronts alike, acknowledging boundaries and uniting in horror a shared suffering many of the nations and governments represented here today. This destruction conferred no tactical advantage. It simply made the deadlock of conflict that much more devastating—so terrible that the victor's community finally was moved to act.

That action came quickly, and culminated in the 1925 Geneva conference, where the major nations of the world—the U.S. Government among them—crafted an agreement which outlawed the use in war of chemical and biological weapons. The work of that conference had effect for six decades. To be sure, these legal and moral barriers erected in Geneva were tragically breached in the 1930s and 1940s. Therefore, Franklin Roosevelt was correct when he said that it was "the general opinion of civilized mankind" that chemical weapons should be outlawed.

We Forgotten Lessons of History?

opinion remains valid. Yet, in re- years, the international norms against chemical weapons use have be- to erode in practice—first in the Middle East and, most recently, in real conflicts from Southeast Asia, to Afghanistan, to the Persian Gulf. And even if peace should come to these strife-ridden areas—and we hope pray and work for the day that it—this horrific legacy of chemical weapons use quite literally will harm us for years to come. As the 1970 World Health Organization report on the effects of the possible use of chemical and biological weapons on civilian population groups concluded: "Chemical and biological weapons pose a special threat to civilians. Large-scale use of chemical and biological weapons could produce lasting changes of an unpredictable nature in man's environment." The consequences of past chemical weapons use still plague Europe today. Unexploded chemical munitions from World War I continue to release their—yet lethal—contents into the areas where they were dumped. In the Persian Gulf, fishermen and bathers in coastal areas still suffer mustard gas poisoning from sunken and deteriorating chemical munitions. Similarly, unexploded chemical munitions now littering the waters of the Shatt al Arab will threaten human life and the environment for decades to come. So like the contaminated battlefields of Europe, the residue of more than 40 years of chemical weapons use in other strife-ridden parts of the world—unexploded chemical munitions, people exposed for life, a poisoned environment—will be reminders for generations of those vicious conflicts. Just as it takes a fresh shock of human tragedy—must more places like the Bosnian Fields earn their place in the history books through the particular viciousness of their destruction—before nations work together to restore respect for the international norms against chemical weapons use? Ninety years ago, our predecessors at The Hague conference only could imagine the horrifying destructive potential of chemical weaponry. Today we have witnessed its devastating capability. We must claim now that we have not learned that we do not know. But have we the will, the courage, and the vision to act on the collective conscience of the world and control this proliferating threat to civilization?

We cannot delay. Time is not on our side. Technology is not stagnant. Ever more lethal and insidious chemical weapons are being developed—weapons which defeat defenses and are devastating in their effects. The ability to produce such weapons is rapidly spreading—and with it the technology to produce ballistic missiles as delivery vehicles.

None of us can escape the consequences of chemical warfare. Its resurgence has placed an additional burden on international organizations and specialized agencies that already are overwhelmed with the victims of war in hospitals and refugee camps. Victims of chemical warfare rarely have proper protective equipment or medical facilities. A number of governments represented here have generously treated victims at considerable expense in their specialized medical institutions. Out of fear more and more countries are heavily investing in protective equipment for their forces and in some cases for their civilian population. We must be alarmed that we have reached the point where some countries are prudently making special protective suits for children. Each of us now must consider the security of our embassies from chemical attack.

Moreover, we face the even more grotesque specter of the proliferation of biological weapons. Nations are developing, producing, and stockpiling ever more deadly and resistant strains of disease in violation of the 1972 Biological and Toxin Weapons Convention. It is no hyperbole to state that the mere existence of these weapons poses one of the most serious threats to the survival of mankind.

Isn't it grimly ironic that these new and deadly threats have arisen to haunt us at the very time we have begun to make progress in controlling and reducing nuclear arms? A nightmare for all, of course, would be the combination of ballistic missiles, chemical warheads, and biological weapons in the hands of governments with histories of the conduct of terrorist violence.

Terrorists' access to chemical and biological agents is another growing threat to the international community. There are no insurmountable technical obstacles that would prevent terrorist groups from using chemical weapons. With the inhibitions against employing such weapons now weakened through recent use—and with targets for conventional terrorist attacks becoming better protected—terrorist groups

could be tempted to shift, without warning, to use of chemical weapons for dramatic political and media attention. The threat is a real one. Some governments which have been known to sponsor terrorism now have sizable chemical weapons capabilities.

At stake in all of this is not just the violation of codes of international conduct but civilization itself. If we tolerate the breakdown of barriers against the use of chemical and biological weapons, such agents of mass destruction may come to be seen as both advantageous and legitimate in pursuit of national security interests—as just another "weapon of choice." Countries that use chemical weapons in violation of international law are wrong—and they know it. We must not legitimize, by our acquiescence, a practice that will threaten all civilized societies.

What Action Must We Take?

President Reagan, in a speech to the UN General Assembly, proposed this conference. Let us recall his words.

...poison gas, chemical warfare—the terror of it; the horror of it.... It is incumbent upon all civilized nations to ban, once and for all...the use of chemical and gas warfare.

The international community must act now on several fronts to eradicate the threat of chemical weapons, prevent their illegal use, and staunch their dangerous proliferation. Even as we push forward in the Geneva negotiations to ban the development, production, acquisition, stockpiling, retention, or transfer of chemical weapons, each of us now must take steps to strengthen our political commitment to expose the threat and control the spread and use of these hideous weapons.

My government never has underestimated the difficulties—chief among them, verification—that must be overcome in pursuit of this urgent objective. When Vice President Bush, on behalf of President Reagan, tabled the 1984 draft treaty in Geneva, he said that a comprehensive ban on chemical weapons cannot work unless states are prepared to "commit themselves to a new but absolutely necessary degree of openness"—"a new way of doing business." But however formidable the challenge, the world community should not underestimate the United States' determination to overcome those problems and put an effective treaty into force.

Recently, President-elect Bush has declared that one of his highest pri-

orities will be to deal with what he appropriately calls "this terrible scourge." He has said that he wants to be remembered as the President who—working with our allies, the Soviet Union, and other nations—brought about the elimination of chemical warfare and chemical weapons.

The world community needs to band together and rededicate itself—forcefully and effectively—to the purposes and principles of the 1925 Geneva protocol. No country should face the threat of chemical weapons alone, for no country is immune to it. We must be prepared to exercise statesmanship, to cooperate, and to exact enforcement.

We, therefore, call on this conference to support the following steps immediately.

- Every nation must undertake the political commitment to comply with the international norms relating to chemical weapons use.

- Nations which have not done so should accede to the 1925 Geneva protocol.

- The UN Secretary General's ability to investigate promptly allegations of illegal use of chemical weapons in armed conflict should be reinforced and enhanced.

There is still more that we must do, both at this conference and after it.

We should consider procedures for humanitarian assistance to victims of chemical weapons attack. We need to bolster support for the measures embodied in the UN Charter should there be any future illegal use of chemical weapons—and here I have Chapter 7 sanctions expressly in mind. As President-elect Bush has said:

...the nations guilty of chemical warfare must pay a price. They must know that violation of the ban against the use of such weapons carries a heavy penalty. Not just a fine or a minor sanction that can be ignored.

There is an urgent need for steps to achieve greater international restraint in the export of chemical weapons-related technologies, chemicals, and weaponry. Since 1985 the United States has cooperated with 18 other nations to coordinate efforts to control international trade in chemical weapons-related commerce. We should explore possibilities for more effective means to control the transfer of chemical weapons precursors, technology, and weapons without impeding legitimate commerce and peaceful pursuits that will benefit mankind.

Finally, I also urge you to join me in committing our governments not only to prevent the use of chemical weapons in armed conflict but also to prevent the spread of chemical weapons to terrorist groups.

The problem of chemical weapons proliferation is as difficult as it is dangerous. The challenge it poses to world security is so urgent that international efforts in this area should not be made contingent on other difficult arms control issues, such as nuclear proliferation. And if we are to deal with the chemical weapons threat effectively in all its respects, we must see the problem for what it is.

Chemical weapons proliferation is *not* an issue between the developed and developing world. It is *not* a matter of some nations trying to maintain a monopoly on chemical weapons by making it impossible for other nations to obtain them. All countries have everything to gain by keeping their focus on the real issue: preventing these weapons from spreading and being used, even as we devote ourselves to ridding the world of those which already exist.

For our part, the United States has participated actively in the negotiations at the Conference on Disarmament since 1971. We are committed to success in these negotiations, and we will stay at the table for however long it takes. We will abide by the 1925 Geneva protocol and all other provisions of international law related to the use of chemical weapons, including the 1949 Geneva conventions. We urge every country here—indeed, every country in the world—to make a similar pledge.

A Global Effort Is Needed

We all owe a debt of gratitude to the Government of France and to President Mitterrand for assembling the world community here in Paris in answer to President Reagan's call at the UN General Assembly. Together, we must meet the challenge posed by chemical weaponry. It is a global challenge. And it is grievously apt that these weapons were first used during the first worldwide war in human history. But as experience, stretching back almost a century to The Hague Gas Declaration teaches us, sweeping statements of principle are not a substitute for concrete deeds. We all have an obligation to take action.

The resumption in the past 25 years of chemical warfare is a dangerous step backward for mankind, for

reason, for civilization. President-elect Bush has called the outbreak of chemical warfare and ballistic missile proliferation "sharp reminders of how easily the nations can turn from the high road and head for the abyss." And he has declared it his "solemn mission to work with the international community 'to stop it and stop it now!'"

Now is the time for us all to stand up and face our responsibilities squarely. Together, let us get on with the task of fulfilling our solemn moral and legal obligations.

We must, quite simply, reaffirm international norms against chemical weapons and raise them higher. Unless we summon the political will and establish rigorous and reliable international means of vigilance and restraint, we will condemn ourselves to repeat that experience. We already have witnessed one century-long cycle of international concern, followed by violence, tragedy, outrage, and then, alas, complacency.

I am haunted by a poem written in 1916 by the great American poet Carl Sandburg—in his time a European correspondent. It is called "Grass," and it ends with these stark and bit lines:

Pile the bodies high...at Ypres and Verdun.

Shovel them under and let me work.
Two years, ten years, and passing
ask the conductor:

What place is this?
Where are we now?

I am the grass.
Let me work.

I say to you now, let *us* instead work to ensure that we never forge victims of chemical warfare. Let each and every one of us work to ensure neither the passage of time nor the exigencies of the moment ever again obscure the responsibilities we have to all mankind.

**SECRETARY'S
NEWS CONFERENCE,
JAN. 8, 1989²**

There is every indication of this being an outstanding conference. One hundred and forty-five nations are here of them are parties to the Geneva 1925 protocol, and seven more are in the process of becoming parties as this conference unfolds. It's clear, not only the speeches but from the general discussion in the corridors, that everyone is taking this subject with great seriousness. President Mitterrand got

ference off to a great start with his opening address. I feel very gratified to have had the privilege of representing the United States at the conference. It's a good thing.

Q. You had a separate meeting, of course, afterward with the Soviet Foreign Minister, and on your way back you said you hoped you would be able to persuade them that the United States has the evidence that Libya is on the verge of producing chemical weapons. Now you have the Germans coming to Washington to see some of that evidence. Did you make any headway with Mr. Shevardnadze?

A. With the Soviet Foreign Minister and his colleagues, we made a brief presentation—about 10 minutes of material—that was designed not to be the sort of conclusive and detailed explanation, obviously, but to make it clear that this is a very serious proposition and that we know a great deal about what's going on at the Rabta factory. I was quite gratified by his response, because he is as concerned as we are about any spread of chemical weapons. He said so publicly, and he said so directly. I believe, at least he said, and I believe, that he and his colleagues will look into the matter. That is what we wanted.

Q. What is your reaction to the Foreign Minister's statement today?

A. Which Foreign Minister? That is one of the good things about this conference, you have to say which one, because there are so many.

Q. Mr. Shevardnadze's claim that the Soviet Union has never used chemical weapons, never transferred chemical weapons to any country.

A. I put that in terms of a pledge, and I'll take it that way.

Q. Mr. Shevardnadze said that the Soviet Union would accept full international inspection without right of access for any site in the Soviet Union. Will the United States accept the same program of openness?

A. Yes, of course. We proposed that when the Vice President tabled his report on behalf of President Reagan—the treaty in 1984. Now, on demand, full international inspection is a principle that we're more to, and it's important to get that principle out there. However, translating that into workable procedures that people can agree to is difficult. We agreed that in the INF [intermediate-range nuclear forces] negotiations. We've learned that it can be done, and

we've learned since the treaty has gone into force that it can work. There is a lot of work to be done to translate that general principle into an operating reality.

Q. Could you give us your reaction to Mr. Shevardnadze's announcement that the Soviet Union will be destroying certain of its chemical weapon stocks, beginning this year, with foreign inspection?

A. We welcome that statement. Of course, we've discussed that before. I think it's worth noting that while they are building a plant, we have a plant in being, and we have a program for destroying the unitary—so-called unitary—stocks of chemical weapons that we hold. We have invited people to come and see that plant. This is something that, prospectively, they will do when their plant is completed. We have a plant, and we have a program, and we're proceeding to destroy the unitary stocks as we build—until we see a treaty in force—the much safer binary stocks.

Q. On the way here, you said that on two prior occasions, or at least before, you had raised the Libyan plant issue with the [Soviet] Foreign Minister and that they had remained unconvinced of the American evidence. Can you give us a sense of whether you think you changed his mind today?

A. The subject came up in the December meeting with Mr. Gorbachev, Mr. Shevardnadze, and so on, and we simply said that we had a very serious concern, and we felt we had convincing evidence. Obviously, we did not try to present anything in that brief luncheon, and they agreed to hear more about it. So, they heard a little bit more about it. I hope that we may follow up on this, and I hope that as they look into it, they will develop information of their own. The object is to prevent this plant from becoming a producing chemical weapons plant; that is our object. If we can succeed in that, we will feel quite gratified.

Q. With the Soviets saying they've stopped producing chemical weapons and with the United States producing a new generation of weapons, isn't there a danger that the United States is at a moral disadvantage in this whole affair?

A. No. We are reducing our net stocks as we proceed, and this is perfectly consistent with our position at the Geneva negotiations.

Q. But if you're still producing new weapons, aren't you losing the moral high ground?

A. No. We are reducing our net stocks, and we are having, in place of the rather difficult-to-handle unitary stocks, a way of holding our deterrent capability while these negotiations go on. We are developing that in a much safer way.

Q. What can you tell us about the nature of the evidence you showed Mr. Shevardnadze? Can you also tell us if he specifically promised to conduct an investigation in reaction to this evidence? Has he seen this evidence?

A. Yes, he said that he would look into it. I forget his exact phraseology, but I have no doubt he'll be asking questions, since he cares about the subject and the Soviet Government seems to care about the subject; I have no doubt the questions will be pointed. I think that is a constructive response. What we described for him was sort of the general flow of evidence that we had and gave a description of some of the characteristics of the plant, both of the metal fabricating plant and the chemical plant. Our object, inasmuch as you can achieve in a 10-minute period, is simply to show that we have clear information, that it is serious information, that we take it seriously, and that we hope they will.

Q. Could you tell us how you see the role of the chemical industry in the nonproliferation process?

A. The chemical industry, of course, is a great industry that produces things of immense significance for all of us, and so you want to see the chemical industry proceed.

At the same time, I think, since at least in certain aspects of what are perfectly acceptable, desirable types of chemical production, you can switch the facilities to agents of chemical warfare, the chemical industry will have to accept a degree of openness and inspection that may cause them some heartburn, but they'll have to do it. The chemical industry is one where, for commercial reasons, there tends to be, at least in certain periods, a tradition of some secretiveness. That's understandable. Commercially, you don't want to give your ideas away.

That is an illustration of one of the problems that will have to be confronted in this inspection regime, because commercial secrecy can't be an

impediment to being sure that there isn't a weapons production operation here. The chemical industry will have to be a part of this, and it will be of some difficulty.

Q. There have been press reports, based on U.S. intelligence reports, that the French may be selling Mirages to Libya. Have you taken this up with the French?

A. No, I had that press report called to my attention, and I don't have any information to provide you about it, except that I certainly would say that sales of such aircraft to Libya right now would be an unwelcome development, to put it mildly.

Q. As I understand it, one purpose of your meeting with Mr. Shevardnadze was to try to resolve some remaining difficulties in the Vienna negotiations on human rights and conventional arms control. Did you work everything out? Will that meeting conclude as expected next week?

A. We discussed the CSCE [Conference on Security and Cooperation in Europe] matters and, between us and the Soviets, we don't have too much in the way of outstanding issues. There are some things in the language that we would like to see strengthened somewhat, and we noticed that in Mr. Gorbachev's speech to the United Nations these matters were mentioned. We hope that perhaps that will be possible, but as between the two of us, we don't have issues related to Vienna, as such.

Of course, we expect to see an ongoing process of attention to human rights matters, of attention to institutionalizing reforms, of continued releases, and so on. We discussed this, and I was assured that that would happen. But that is not related, as such, to the CSCE final document. Our biggest remaining hurdle, I believe, is a dispute involving Greece about territory that's excluded in Turkey. This is a sticking point, and just how we will be able to deal with that, I'm not too sure. It's a hard point.

Q. Do you expect the meeting will end [inaudible]?

A. The meeting will end if all the issues are resolved. We're pretty close to that point, but we aren't there yet. I am always a believer that you don't have an agreement until you've got one.

Q. Coming into this Paris conference, it was said that one of the things you wanted to do here, other than take part in the conference, was to convince the rest of the world, especially the industrialized countries, about what's going on in Libya and to try to get some support for the U.S. position. We've been told that the French, the Canadians, and the Egyptians, in your bilateral meetings, said that they weren't skeptical anymore about the American claims. Other than that, have you been able to gather up some support for the U.S. position on this?

A. I've referred to our discussions with the Soviets, but our object here at this conference was not to put the Libyan issue at the center of the stage but to put the issue of chemical warfare at the center of the stage. That's the purpose of the conference, and I believe that objective is very much being served. It's turning out to be a good thing.

In the meantime, we have, of course, expressed our concerns to various people we have met with, and clearly if you are concerned about chemical weapons and you see a credible report of this kind, then you are going to be concerned about it and want to know more about it. That's the general reaction we get.

Q. Does the American Government have any evidence of Italian firms being involved in the Rabta plant?

A. I don't want to get into this, that, and the other country. My conversations with Mr. Andreotti and others from the Italian Government, on this and other matters, have been quite satisfactory.

Q. The entire Paris process seems to make little sense when countries in the Middle East don't express a willingness to give up chemical weapons. It was clear in the Iraqi speech today—the right to hold chemical weapons and the situation. How do you feel about that?

A. Countries, of course, under the Geneva protocol have a right to possess chemical weapons. That's the reason why we're trying to negotiate a treaty in Geneva that prohibits the production and holding of chemical weapons. We would prefer it if they didn't express such a sentiment, particularly a state that has used them recently. That certainly is our view. But the point only underlines the importance of the nego-

tiations in Geneva and, I think, as many have said from the podium, on the purposes that's being served is to give a kind of special spotlight and push to those negotiations going on in Geneva. I might say that President-elect Bush has expressed himself very strongly and consistently on this issue.

Q. Certainly there is some "political" momentum toward resolving practical problems, and you discussed verification earlier. How significant do you see these political obstacles in terms of standing in the way of a total ban or a total elimination of chemical warfare? And what steps are being taken to remove those political obstacles?

A. I don't know what you're referring to in political obstacles.

Q. Those comments from the Arab nations, for example.

A. A country that says I have agreed to any prohibition against holding, only using, chemical weapons is sort of within its rights, so to speak. Although, as I already said, a country that has recently used them and made that statement leaves you concerned but that underlines the importance of proceeding to agreement to get rid of them entirely. I presume that Iraq has to consider this question, and when we get this treaty wound up, I think a state that says that it is not going to join the international community may very well find itself in an uncomfortable position. There is a growing, emerging, and strong way of opinion around the world about this issue. I think that's a big political fact that we're trying to highlight in this conference.

Q. How would you answer to charges of hypocrisy against the United States when it has chemical weapons and, under current international law, Libya is actually entitled to have them?

A. I have already said what we are doing is bringing down our stock of chemical weapons. We have a plan to have a process for elimination; we have invited people to see it; we will engage in that process whereby we will be reducing our stocks; and, of course, we have been proponents of the negotiations in Geneva. Vice President Bush on behalf of President Reagan, tabled sort of the operative draft that people are working from there, and we want to see it come to a successful conclusion.

Q. Could you tell us exactly in which way the United States has pushed the process forward during your stay in Paris?

A. First of all, President Reagan suggested this conference in his speech to the United Nations. We are gratified that there has been such a strong response and, of course, beginning with France, which also felt this was a very good idea. I think it is quite remarkable that in the space of, I think it is, 4 months, a conference of this magnitude has been organized and 145 nations are here.

I have listened to many of the speeches, and I hear a building of support for the objectives that surround all this, and I hear the same thing in the corridors and in my private conversations. I think the general objective of kind of consciousness-raising about the importance of this problem—that is already a success. We already have seen additional countries which have joined on as parties to the protocol. I think this will, undoubtedly, give some additional push to the negotiations in Geneva.

There have been a number of statements made parallel to the suggestion that I made on behalf of the United States; that the Secretary General's ability to investigate promptly any possible charge of the use of chemical weapons be strengthened. I noticed Mr. Shevardnadze in his speech said that he felt that no country should have the right to deny the Secretary General prompt inspection rights if that is authorized.

There are a lot of things sort of falling into place, and I feel very gratified by the whole thing.

Q. When Mr. Shevardnadze arrived in Paris on Friday, he said that the American downing of two Libyan aircraft poisoned the atmosphere of the conference. Did this subject come up in your talks with him today? Were you able to reassure him on that point?

A. I brought the subject up, and I explained to him, as Ambassador Walters [U.S. Permanent Representative to the United Nations Vernon A. Walters] explained in the United Nations, precisely what had happened. Our photographic and audio evidence is quite clear. The American pilots acted only after a tremendous effort to detach themselves from the Libyan aggressive planes, and they acted in defense of themselves. I brought those points forward.

As far as the conference is concerned, so far as I can see, it is going forward very strongly, and the atmosphere of concern about the use of chemical weapons and the desire to do everything possible to stop it and contain it is a very powerful atmosphere.

As I said a moment ago, I think we can all feel—all of us, you, me, everybody—as citizens of the world who don't want to be subjected to attack by chemical weapons—I don't, I am sure you don't—the more we can do to avoid that, the better off we are all going to be. I think we are a step ahead of the game as a result of this conference.

FINAL DECLARATION. JAN. 11, 1989

The representatives of States participating in the Conference on the Prohibition of Chemical Weapons, bringing together States Parties to the Geneva Protocol of 1925 and other interested States in Paris from 7 to 11 January 1989, solemnly declare the following:

1. The participating States are determined to promote international peace and security throughout the world in accordance with the Charter of the United Nations and to pursue effective disarmament measures. In this context, they are determined to prevent any recourse of chemical weapons by completely eliminating them. They solemnly affirm their commitments not to use chemical weapons and condemn such use. They recall their serious concern at recent violations as established and condemned by the competent organs of the United Nations. They support the humanitarian assistance given to the victims affected by chemical weapons.

2. The participating States recognize the importance and continuing validity of the Protocol for the prohibition of the use in war of asphyxiating, poisonous or other gases and bacteriological methods of warfare, signed on 17 June 1925 in Geneva. The States Parties to the Protocol solemnly reaffirm the prohibition as established in it. They call upon all States which have not yet done so to accede to the Protocol.

3. The participating States stress the necessity of concluding, at an early date, a convention on the prohibition of the development, production, stockpiling and use of all chemical weapons, and on their destruction. This convention shall be global and comprehensive and effectively verifiable. It should be of unlimited duration. To this end, they call on the Conference on Disarmament in Geneva to redouble its efforts, as a matter of urgency, to resolve expeditiously the remaining issues and to conclude the convention at the earliest date. All States are requested to make, in an appropriate way, a significant contribution to the negotiations in Geneva by undertaking

ing efforts in the relevant fields. The participating States, therefore, believe that any State wishing to contribute to these negotiations should be able to do so. In addition, in order to achieve as soon as possible the indispensable universal character of the convention, they call upon all States to become parties thereto as soon as it is concluded.

4. The participating States are gravely concerned by the growing danger posed to international peace and security by the risk of the use of chemical weapons as long as such weapons remain and are spread. In this context, they stress the need for the early conclusion and entry into force of the convention, which will be established on a non-discriminatory basis. They deem it necessary, in the meantime, for each State to exercise restraint and to act responsibly in accordance with the purpose of the present declaration.

5. The participating States confirm their full support for the United Nations in the discharge of its indispensable role, in conformity with its Charter. They affirm that the United Nations provides a framework and an instrument enabling the international community to exercise vigilance with respect to the prohibition of the use of chemical weapons. They confirm their support for appropriate and effective steps taken by the United Nations in this respect in conformity with its Charter. They further reaffirm their full support for the Secretary-General in carrying out his responsibilities for investigations in the event of alleged violations of the Geneva Protocol. They express their wish for early completion of the work undertaken to strengthen the efficiency of existing procedures and call for the co-operation of all States, in order to facilitate the action of the Secretary-General.

6. The participating States, recalling the Final Document of the first Special Session of the United Nations General Assembly Devoted to Disarmament in 1978, underline the need to pursue with determination their efforts to secure general and complete disarmament under effective international control, so as to ensure the right of all States to peace and security.

AMBASSADOR BURNS' STATEMENT, JAN. 11, 1989

Less than 4 months ago, President Reagan called on parties to the Geneva protocol and other concerned states to convene a conference to consider how to prevent the further use of chemical weapons in violation of international law. This call reflected our deep concern and alarm over the dangerous spread and resurgent use of chemical weapons. It was President Reagan's hope that the participants at the Paris conference would rededicate themselves

to the objectives of the Geneva protocol.

This conference has forged a powerful global consensus. The 151 participants gathered here have taken a principled and forceful stand against the illegal use and dangerous spread of chemical weapons. They have given significant political impetus to the Geneva Conference on Disarmament negotiations on a comprehensive, effectively verifiable, and truly global ban on chemical weapons.

We are pleased that the final declaration includes the following important elements.

- The conference condemned the use of chemical weapons in violation of international law and existing norms.

- All participants stressed the importance and continuing validity of the Geneva protocol of 1925. States party to the protocol reaffirmed their commitments. This fully preserves the terms on which each party has ratified the protocol, including their reservations.

- Ten states heeded the conference's call to become parties to the protocol.

- Participants expressed grave concern over the spread of chemical weapons and called on all to exercise restraint and act responsibly. For our part, we will continue to exercise export controls and urge others to do the same.

- The conference reinforced the role of the Secretary General in investigating reports of chemical weapons use and expressed support for appropriate and effective actions under the UN Charter. This includes consideration of international sanctions under Chapter VII of the UN Charter.

It remains for the international community to translate this consensus into relevant actions toward these goals.

The United States is grateful for the extraordinary efforts of President Mitterrand and the French Government in organizing and hosting this historic meeting.

¹Press release 1 of Jan. 8, 1989.

²Press release 2 of Jan. 10. ■

Nuclear and Space Arms Talks Conclude Round 10

**PRESIDENT'S STATEMENT,
NOV. 16, 1988¹**

Today marks the close of round 10 of the nuclear and space talks between the United States and the Soviet Union. Throughout these negotiations, my objective has been to achieve agreement with the Soviet Union on deep, equitable, and verifiable reductions in the strategic nuclear arsenals of both sides as part of a comprehensive effort to enhance strategic stability and reduce the risk of war.

We have made significant progress in these negotiations. We have concluded and begun implementation of the INF [Intermediate-Range Nuclear Forces] Treaty, the first to eliminate an entire class of U.S. and Soviet missiles, with the most extensive verification provisions in any arms control agreement.

In the strategic arms reduction talks (START), we have also made progress toward our goal of securing reductions in the most destabilizing of nuclear forces—fast-flying ballistic missiles, especially heavy intercontinental ballistic missiles (ICBMs) with multiple

warheads. The negotiators have recorded extensive and significant areas of agreement, as well as remaining areas of disagreement, in a joint START draft treaty text. This joint draft treaty also reflects the areas of agreement which General Secretary Gorbachev and I reached during our meetings in Geneva and Reykjavik and at the Washington and Moscow summits, as well as progress made at the U.S.-Soviet ministerial meetings and in 10 rounds of negotiations in Geneva.

In START we are well on our way toward an agreement which will significantly reduce the levels of U.S. and Soviet strategic nuclear arsenals. We have agreement on 50% reductions in deployed strategic forces, to a ceiling of 6,000 warheads on 1,600 strategic nuclear delivery vehicles, and sublimits of 4,900 ballistic missile warheads, and 1,540 warheads on 154 heavy missiles. Both sides have agreed that there will be approximately 50% reduction in throw-weight for Soviet ballistic missiles, to equal ceilings for both sides. Agreement has been reached on the number of warheads attributed to each existing type of ballistic missile and on some of the counting rules for heavy

bomber armaments. Agreement has also been reached on the outlines of verification regime, including several kinds of on-site inspection, data exchange, and measures to reduce the possibility of cheating. Both sides have presented detailed proposals in these areas.

Major areas of disagreement remain, including with respect to mobile intercontinental ballistic missiles, sea-launched cruise missiles, rules of accounting for air-launched cruise missiles, sublimits on ICBM warheads, modernization of heavy ICBMs, and viet attempts to link a START treaty provisions that would cripple the Strategic Defense Initiative (SDI).

In the defense and space talks, we have continued to seek agreement on how we and the Soviets could jointly manage a stable transition to increased reliance on effective defenses, should they prove feasible. SDI is our best hope for a safer world, one in which deterrence is increasingly based on defenses—which threaten no one—rather than on the threat of retaliation. It has also been an important incentive for the Soviets to negotiate for nuclear arm reductions. We will not bargain SDI away or accept restrictions on SDI beyond those actually agreed in the ABM Treaty.

Finally continued Soviet unwillingness to dismantle the large phased-array radar at Krasnoyarsk, which is a significant violation of a central element of the ABM Treaty, remains a matter of deep concern. We have made it clear to the Soviets that we will not accept less than full compliance with the treaty and that we not be able to conclude any further strategic arms control agreements until that violation is corrected in a verifiable manner that meets our criteria.

As this round concludes, I want to express my appreciation to Ambassadors Max Kampelman, Reed Hanft, and Henry Cooper and their teams for the outstanding job they have done in these negotiations.

In the nuclear and space talks, we have come a long way toward agreements that will strengthen our security and that of our allies. But we want good treaties, not quick ones, and we will not take shortcuts. We leave the next Administration a solid foundation upon which to build in the future, and I am confident that, if the Soviets are prepared to make further progress, we will be able to resolve the difficult remaining issues.

¹Text from Weekly Compilation of Presidential Documents of Nov. 21, 1988.

The 1988 Trade Bill

The following report was presented by Ambassador Alan F. Holmer, Deputy U.S. Trade Representative, and Judith Hippler Bello, General Counsel, at a conference of foreign diplomats at the Department of State on September 19, 1988.

In 1974 the United States was the world's largest international creditor. Merchandise trade deficit was \$5.5 billion, and exports had surged 38% in the previous year. And if imports of petroleum (whose price had quadrupled in 1973) were excluded, the U.S. merchandise trade position was a surplus of more than \$21 billion. In this economic environment, the Congress passed a landmark trade bill providing:

- Authority for trade agreements;
- A new trade remedy called Section 301 to enforce trade agreements and respond to other unfair foreign government practices;
- Section 201 escape clause relief through temporary safeguards measures; and
- Some changes to other U.S. trade laws.

In 1988 the U.S. economic picture was significantly different. Since 1974 the United States has become the world's largest international debtor, its net foreign debt exceeding that of Brazil, Argentina, Mexico, and all other Latin American countries combined. Its trade deficit—while reduced from the peak of \$140 billion in 1987—is likely this year to be between \$135 and \$140 billion. In certain trading partners have amassed extremely large bilateral surpluses in trade with the United States, rising up to \$59.8 billion for Japan in

In such far differing circumstances, U.S. trade legislation could reasonably be expected to be quite different as well. Yet the major trade provisions of the Omnibus Trade and Competitiveness Act of 1988 provide:

- Authority for trade agreements;
- Amendments to the Section 301 trade remedy;
- Minor amendments to the Section 201 escape clause remedy; and
- Relatively minor amendments to other trade remedies.

With the recent passage and signature of the 1988 Trade Act, it is time to stop stigmatizing, criticizing, propagandizing, and exaggerating this legislation and, instead, to analyze it dispassionately. Relieved of all the emotional rhetoric surrounding its history, the final bill signed by the President clearly continues rather than contorts traditional U.S. trade policy and renews rather than reneges on the U.S. commitment to the multilateral trading system. It does not legislate barriers at our borders to close the U.S. market and create a "Fortress America" but rather simply provides better trade remedy tools to use judiciously to open foreign markets.

What the Bill Does Not Do

Before reviewing the bill's principal trade provisions, it is worthwhile to remember what this bill does not do. Earlier omnibus trade bills included provisions that would have:

- Established quotas on imports of lamb and steel products or unilaterally revoked most-favored-nation treatment for Romania and Angola;
- Created a private right of action in U.S. courts for customs fraud, in addition to current administrative remedies;
- Provided a draconian remedy—exclusion from the U.S. market—for "scofflaw" (i.e., repeat) offenders of U.S. customs laws;
- Included requirements for the carriage of automobiles on U.S. vessels;
- Required the President to provide relief automatically in safeguards actions in which the U.S. International Trade Commission (ITC) found injury to U.S. producers;
- Broadly mandated retaliation in Section 301 cases and required the "self-initiation" annually of such investigations (even when U.S. industry did not seek such an action);
- Redefined the term "subsidy" in the countervailing duty law to expand its application;
- Provided a private right of action in U.S. courts for dumping in addition to the antidumping law;
- Provided relief against diversionary ("upstream" or "down-stream") dumping, in violation of existing international rules;

- Required application of the countervailing duty law to nonmarket economies;

- Amended the dumping law to make it vastly more likely that the Commerce Department would find dumping where foreign producers and exporters sold in the United States through a related company;

- Amended the dumping law to make it more likely that the Commerce Department would find dumping in any case involving imports from a non-market economy; and

- Required the imposition of sweeping trade sanctions against "terrorist" nations.

In response to strong objections from the Administration (echoed by many trading partners), the Congress simply dropped these and many other protectionist provisions which were antigrowth, antijobs, anticonsumer, and anti-U.S. competitiveness.

In part, this accomplishment was possible because the two bills passed by the House of Representatives and the Senate differed so substantially. The Senate bill was more objectionable on Sections 201 and 301, telecommunications, and a host of foreign relations-type amendments. The House bill was more problematic on amendments to the antidumping and countervailing duty laws and other nontrade provisions, such as the Bryant amendment (requiring the registration and disclosure of foreign investment in the United States). This was no accident. Those in the Administration and Congress who wanted a protrade bill worked diligently at early stages of the process to ensure that it was legislatively possible for the conferees to choose a protrade course. In virtually every instance where the conferees had a choice, they chose the protrade alternative.

In addition, many precisely or nearly identical provisions included in both bills were dropped by the 199-member trade conference in response to Administration objections. Although the conference's mandate was limited to resolving differences between the two bills, conferees, nonetheless, dumped provisions from both bills on, for example, Romanian most-favored-nation treatment, the carriage of automobiles on U.S. vessels, and sugar duty drawback.

Even when the trade conferees declined to eliminate provisions altogether, time and again they worked with the

Administration to modify them acceptably. Some provisions that originally had a protectionist bent were recast into acceptable trade remedies with sufficient executive discretion to enable their judicious, trade-liberalizing use.

All of this is not to say that the bill is perfect. A number of provisions remained objectionable to the Administration. Indeed, as President Reagan said when he signed the bill on August 23, 1988: "There are some things in this bill I don't like." But the President also noted that the emphasis and thrust of the bill are to open markets and ensure fair play around the world, as the following analysis shows.

Trade Agreements Authority

The centerpiece of the trade provisions of the 1988 Trade Act is the renewal of authority for trade agreements. While the President's constitutional powers to conduct the foreign affairs of the United States enable him to negotiate trade agreements without Congress' blessing, the Congress' constitutional powers to regulate commerce require an effective executive-congressional partnership to make the trade agreements program work.

In 1967 the executive, without Congress' blessing, negotiated agreements relating to dumping and the American selling price system, but Congress subsequently refused to implement them. To prevent such a recurrence, Congress and the President invented the so-called fast track procedures in the Trade Act of 1974. They don't guarantee that Congress will approve and implement trade agreements that the President negotiates. But they ensure that Congress will review such agreements on an expedited, nonamendable basis, greatly enhancing the prospects for congressional implementation.

The principal achievement of the 1988 act, like the 1974 act, is its enactment of fast track procedures. Until May 31, 1991—5 months after the Uruguay Round is scheduled to conclude—the President has access to congressional fast track procedures for any trade agreements he concludes. And just in case the Uruguay Round continues a bit longer, the President's access can be continued for 2 additional years—until May 31, 1993—if only he certifies to the Congress that, despite progress in the negotiations, more time is needed to conclude them.

These provisions renew the U.S. commitment to the multilateral trading system which has dominated U.S. trade policy since the establishment of the General Agreement on Tariffs and Trade (GATT) in 1947. The United States continues to believe that peace and prosperity for all nations are best served by agreement on, and observance of, fair multilateral rules by the international community. Today's global economy requires multilateral solutions to what are, inevitably, increasingly multilateral problems defying merely unilateral—and often even bilateral—responses.

It was this abiding faith in the efficacy of the international trading system that led the United States in September 1986 to spearhead the launch of the current Uruguay Round of multilateral trade negotiations. We want to modernize the GATT—by improving existing but inadequate rules, as with respect to agriculture and dispute settlement, and by extending GATT discipline to frontier trade areas such as services, investment, and intellectual property. The 1988 act expresses strong, bipartisan support for the Administration's negotiating objectives in these areas. And the tariff authority is the broadest that has been provided to any Administration in decades.

To endure and prosper, the GATT must both shore up and extend its foundations. In the dynamic 20th (and in the doubtless even more dynamic 21st) century, the GATT must go forward and revitalize or it will surely fall back and decline. Merely treading water is neither possible nor acceptable.

Early in the process of the 1988 act (1985 and 1986), it seemed to the authors that arguing to a congressional committee that a provision violated the GATT was perceived by some members of Congress as a reason to support the provision. At least one senator called the GATT the "Gentleman's Agreement to Talk and Talk." But all that had changed by 1988. The leadership of the trade committees decided to rid the bill of all GATT-illegal provisions. They were uniformly successful. No GATT-illegal provisions remain in the 1988 act.

This, then, is the central message of the 1988 act: the United States wishes not only to maintain freer trade to the extent it now exists but also to extend freer trade, to open more markets, and to increase the predictability of international rules for businesses. In this di-

rection lie the best prospects for enhancing world wealth, peace, and prosperity.

Section 301

While our principal objective is to achieve multilateral trade liberalization, sometimes this goal can be stimulated through bilateral or even unilateral initiatives. Section 301 was enacted in 1974 as the domestic trade remedy designed to help reach and enforce trade agreements by providing for unilateral measures in response to foreign government unfair trade practices. Unilateral action—retaliation—was never conceived as the objective of Section 301; rather, the credible threat of retaliation was intended to serve as a stick that combination with the carrot of an open U.S. market, could pry open foreign markets and thus further liberalize trade.

The United States has been criticized for its aggressive use of Section 301. Yet the results of this program the last 3 years have been substantial: more open, freer trade, widely benefiting producers and exporters in third countries as well as the United States, for example:

- The settlement we reached with Japan on its treatment of beef and rus imports will benefit cattlemen in Australia and New Zealand, as well in Montana, and citrus growers in the Mediterranean and South America, well as in Florida and California.

- The nondiscriminatory tariff reductions Japan made to compensate its GATT-illegal leather and leather footwear import quotas improve access to Japanese markets for producers and exporters around the globe.

- The U.S. Section 301 action against the European Economic Community (EEC) for its hormone directive resulted in a settlement under which foreign meat products—U.S. and third country alike—can continue to be imported into the EEC in 1988.

- The Section 301 investigation of Korean intellectual property practices resulted in an agreement under which intellectual property rights—U.S. and third country—are more effectively protected to the benefit of patent and copyright holders around the globe.

- By enacting mirror quotas under Section 301 against GATT-illegal import quotas established in Portugal during

EEC "enlargement" to include Portugal and Spain, the United States would preserve freer trade in Portugal, to the benefit of all nations extending to the EEC.

- In the Japan semiconductors case, the United States sought to obtain equal access to the Japanese "chip" market for all foreign producers of semiconductors. Japanese observance of this commitment would have benefited both U.S. and third-country chip producers.

- U.S. investigations of Taiwanese practices resulted in Taiwan's application of practices consistent with the customs valuation code and improved access for exporters of all nationalities to the Taiwan markets for beer, wine, tobacco products.

These efforts by the United States illustrate how bilateral agreements—entered in part to avoid the unilateral imposition of sanctions—often have a bilateral, trade-liberalizing effect that complements rather than detracts from the GATT system. The 1988 Trade Act does amend Section 301 significantly. It is intended to make it harder for the executive branch to sit on its hands and do nothing (or next to nothing) in response to a foreign government's unfair trade practices. But although it increases pressure on the executive to act (and act decisively), it preserves sufficient discretion to ensure that such action can be judicious and trade liberalizing, for example:

Transfer of Authority. The Trade Act specifically authorizes the U.S. Trade Representative to determine whether a foreign practice is unfair and act in response. Yet this alleged "transfer" of authority is more symbolic than real. The U.S. Trade Representative serves at the pleasure of the President, who retains constitutional authority to direct the actions of his subordinates.

Mandatory Retaliation. The act requires retaliation in response to violations of trade agreements and other agreements if such violations burden or restrict U.S. commerce. Yet the scope of this requirement is limited to breaches of agreements and, even then, notable exceptions are provided, for example:

- A GATT dispute settlement panel has found that U.S. rights under the trade agreement have not been denied;

- A foreign government eliminates or agrees to phase out the practice complained of or its burden or restriction on U.S. commerce;

- A foreign government provides compensatory trade benefits, or the Trade Representative determines that action under Section 301 would cause serious harm to the national security; or

- The Trade Representative determines (in extraordinary cases) that action under 301 would cause harm to the economy substantially out of proportion to its benefits (taking into account the effect of inaction on the credibility of the Section 301 program).

Illustrative Unfair Practices. The act specifies export targeting, denial of worker rights, and governmental toleration of systematic private anticompetitive activities as practices that can be actionable under Section 301, if they burden or restrict U.S. commerce. But no responsive action is required, even if these criteria are satisfied. And the statute underscores the discretion of the U.S. Trade Representative not to initiate a Section 301 investigation if he finds it would not be effective in addressing the practice.

The effect of these amendments is essentially to ensure the perpetuation of the aggressive, effective use of the Section 301 program by the Reagan Administration over the last 3 years. They do not require protectionist actions, as they allow ample discretion with respect to their application. But they sharpen and hone this particular trade remedy tool so that it can be used effectively to promote open markets and thus to further liberalize trade.

Clearly the most effective action that can be taken by a foreign country that fears the "sting" of Section 301 would be (1) to ensure that its market is truly open to imports and (2) to join the United States and other trading partners in pushing for meaningful progress in the Uruguay Round. This is the market-opening objective we seek and which we believe Section 301 can help us achieve.

"Super 301"

So-called super 301 requires the Trade Representative to start some (number unspecified) Section 301 investigations on his own motion in 1989 and 1990. Based on the annual National Trade

Estimates Report identifying foreign barriers to trade and investment, he is to identify "priority trade-liberalizing practices and countries" and then seek to negotiate elimination of these unfair practices.

Self-initiated investigations or actions were unprecedented until 1985, when the Trade Representative and the President began resorting to them as appropriate responses to priority trade problems. The Trade Representative self-initiated investigations of Korean insurance and intellectual property practices and Japanese tobacco and Brazilian informatics policies. And the President took self-initiated action in response to EEC agricultural practices in connection with Portugal's and Spain's accession to the Community, the EEC hormone directive, and Taiwanese customs valuation and beer/wine/tobacco practices.

Some (including the U.S. Chamber of Commerce) consider "super 301" as requiring investigations of "generic" or "bundled" foreign practices rather than traditional, more narrowly circumscribed practices (such as Japan tobacco or Brazil pharmaceuticals). The act certainly permits, but does not require, this approach. The extensive debate on this provision in the Senate stresses that "super 301" is not the son of the Gephardt amendment (which would have required draconian trade sanctions unless "excessive and unwarranted" bilateral trade surpluses of other nations with the United States were reduced at least 10% each year).

Self-initiated Intellectual Property Section 301 Cases

Another self-initiation requirement is to begin investigations each year—to be conducted on an expedited basis—of denials of adequate and effective protection of intellectual property rights by "priority" countries. The act gives the Trade Representative substantial discretion with respect to this exercise. First, he must identify those countries:

- That have the most onerous or egregious practices that deny adequate protection of intellectual property rights or deny fair and equitable market access to U.S. persons that rely on the protection of intellectual property rights;

- Whose practices in this regard have the greatest adverse impact on the relevant U.S. products; and

- That are not already entering into good faith negotiations or making

significant progress in negotiations already underway.

The act also expressly exempts the Trade Representative from the self-initiation requirement if he determines that such initiation would be detrimental to U.S. economic interests.

Antidumping and Countervailing Duty Laws

Trade experts have widely pronounced the 1988 act as the "cleanest" package of antidumping and countervailing duty amendments in decades. As already noted, a host of GATT-illegal antidumping and countervailing duty provisions was either dumped from the bill or completely transformed into GATT-consistent provisions (such as replacing a diversionary dumping provision in violation of Article VI of the GATT and the GATT Antidumping Code, with domestic authority to implement Article 12 of the GATT Antidumping Code).

Perhaps the most interesting—albeit still modest—amendment in this regard is enhanced authority for the U.S. Department of Commerce (after taking into account any advice offered by the U.S. International Trade Commission) to prevent circumvention of antidumping and countervailing duty orders through:

- Only minor alteration of affected merchandise; or
- Limited further assembly in the United States or third countries.

This anticircumvention authority applies only to products already subject to antidumping and countervailing duty orders. Moreover, this change is quite conservative compared to, for example, recently adopted and implemented antidumping practices of the European Economic Community with respect to "screwdriver assembly" operations within the EEC.

In fact, the antidumping and countervailing duty amendments in the 1988 act include one quite innovative provision clearly intended to retain consistency with international trade rules. On the one hand, the Congress has defined in the act what constitutes an industry in cases involving processed agricultural products. On the other hand, it simultaneously provides that this definition shall cease to have any effect if:

... the Trade Representative notifies the [Department of Commerce] and the [International Trade] Commission that the

application of this [provision] is inconsistent with the international obligations of the United States.

This expression of congressional deference to the international obligations of the United States signals a marked respect for and a renewed commitment to the multilateral trading system. This amendment reflects the Congress' desire, wherever possible, to formulate U.S. trade policy and to make and apply new U.S. trade law so to complement rather than thwart the GATT and multilateral trade liberalization.

Section 201

Section 201 is the trade remedy through which the United States exercises its rights under Article XIX of the GATT temporarily to restrict increasing imports that are injuring a U.S. industry. Article XIX bestows this right but establishes a corresponding obligation: to compensate affecting trading partners for such temporary "escape" from normal GATT obligations.

Section 201—past, present, and future—is the vehicle for exercising this right and meeting this obligation. The 1988 amendments do not change it substantially. Relief may be provided by the President only if the U.S. International Trade Commission finds that increasing imports are a substantial cause of serious injury. And even if the ITC finds such injury, the President is not required to provide relief if he believes that the costs of such action outweigh its benefits. In this respect, the Congress specifically rejected recommendations that the President be required to provide import relief if recommended by the ITC. Thus the fundamental parameters of this remedy remain unchanged.

The theme of some Section 201 amendments is, nonetheless, significant, because it stresses that the purpose of Section 201 relief is to promote adjustment by U.S. producers to import competition. Petitioners are not required to file adjustment plans, nor are individual firms required to make commitments about their plans for any adjustment. And most importantly, governmental officials do not determine for the industry and firms concerned how they should adjust to import competition.

But plans may be filed and commitments may be made, and the ITC is required to take this information into

account in shaping its recommendation about relief (if it finds the requisite injury to U.S. industry). The ITC is required to recommend those actions that will not only address the injury but also be most effective in facilitating the domestic industry's positive adjustment to import competition. The President likewise must take into account the industry's adjustment efforts (including any adjustment plan or commitment submitted to the ITC).

The amendments to Section 201 expand the options for the President beyond traditional import relief, such as international negotiations or submission of legislative proposals. In addition, an industry has received relief under Section 201 for some time period, it cannot submit a new petition until an equivalent time period has elapsed.

The act's amendments to Section 201, then, essentially underscore the reason GATT Article XIX permits temporary safeguards measures (subject to the obligation to provide compensation that is, to allow producers seriously harmed by increasing imports a respite in which to adjust to import competition).

Conclusion

The overall thrust of the trade provisions of the Omnibus Trade and Competitiveness Act is to open markets liberalize trade. Procedurally, it does increase the pressure on the President and the U.S. Trade Representative, in particular, to achieve desired and desirable trade liberalization. But it does not violate the international obligations of the United States, nor force the administration down a protectionist path. It provides the executive branch with tools with which to achieve trade liberalization and gives it substantial discretion to exercise in deciding how to use them in particular cases.

Yes, the act could theoretically be administered by a future administration in a protectionist way. But that is true of prior law as well, and it is equally true that the act can be administered in a way that promotes rather than undermines multilateral trade liberalization. For these reasons, those who are concerned about the act should withhold judgment pending its actual administration.

¹ This was not actually a Section 301 case, but failure to achieve a satisfactory result would almost certainly have provoked action under Section 301. ■

Negotiations Toward a New International Coffee Agreement

by W. Allen Wallis

Address before the negotiating conference for a new International Coffee Agreement in London on November 14, 1988. Mr. Wallis is Under Secretary for Economic Affairs and Agriculture.

I have followed the work of the ICA during the past 6 years and have participated in the decisions of the U.S. Government about its operations. So, I could not pass up the opportunity to sit at a meeting and to say a few words about the views of the United States about the ICA.

As background, I will first describe the perspective from which we view the ICA: How we view the behavior of commodity prices, how we view the economic function of prices, and what we consider to be the function of commodity agreements. That is, I will point out some general characteristics of commodity prices and of commodity agreements before I turn to coffee and the ICA specifically.

Commodity Price Behavior

We are experiencing currently an interesting and instructive period in international commodity markets. In recent years, there has been a weakening of the price of internationally traded oil. For most of this decade, the prices of many commodities have been low. The prices paid by consumers for internationally traded primary commodities other than fuel (after adjustment for inflation) have been lower than at any time since the Second World War.

Among the many influences on commodity prices, one of special importance was the termination at the beginning of this decade of a period of high inflation that had been going on for more than 15 years. Termination of the inflation was, of course, generally beneficial, but it was accompanied by a temporary recession in economic activity. Commodity prices are especially sensitive to both inflation and recession. A world index of real commodity prices has been rising since 1983, along with a fairly, though modest, economic growth in the world economy and strong growth in the United States.

After adjusting for inflation and for fluctuations in exchange rates, the major determinant of commodity prices appears to be the rate of world economic growth. Specific commodities are subject to their own specific influences; for example, frost and drought have powerful effects on coffee prices. Those specific influences temporarily obscure the longer term trends, which otherwise are about the same for coffee as for commodities in general.

Economic Function of Prices

These temporary influences, however, illuminate certain features common to the markets for most commodities. Most commodities have volatile prices; they react sharply to decreases or increases of quantities available. The volatility of commodity prices stimulates efforts to stabilize prices.

The special characteristics of commodity markets—inelastic demands, in the short run, and consequently, volatile prices—create almost irresistible temptations to try to influence the course of prices. These temptations give rise to seductive arguments, effective even in importing countries, favoring intervention.

Until about 1960, the most common response to this state of affairs was for producers to attempt to form a cartel. A few examples, such as OPEC [Organization of Petroleum Exporting Countries], have occurred more recently. Few, if any, of the cartels have succeeded after their first few years. And the attempts have been expensive, because they resulted in accumulations of unsold supplies, because they attracted new producers into the market, and because they reduced consumption. These experiences have discouraged others from trying to imitate them.

When we consider other forms of intervention, such as international commodity agreements with both producers and consumers participating, we should bear in mind the informational function of a free price system. Prices are a decentralized system of communication and incentives that make economies, and the world economy, efficient.

- Prices convey information. They tell what is wanted and how much it is wanted in relation to the prices of things that will be given up to provide it.

- Prices furnish an incentive to adopt the least costly methods of production and, thereby, use resources for their most highly valued purposes.

- Prices determine how income is distributed.

These points have a bearing on the arguments for and against participating in international commodity agreements and can be used to test both the soundness of the arguments and the soundness of particular provisions in such agreements.

The economic functions of prices apply with special force to long-run trends or averages. Short-run movements of prices that are quickly reversed have relatively little information content and relatively little incentive effect on production. For a storable commodity, an exceptionally low price serves as an incentive to consume more and produce less of it, but it also serves as an incentive to store it and deliver it to the market later when the price is higher. A commodity agreement can engage in or encourage this storing function, reducing the volatility of the commodity's price without affecting the long-run accuracy of the price signal in the market. This is the basic idea that underlies a potentially sound commodity agreement.

Commodity Agreements

As you know, the U.S. Government has studied the design of commodity agreements carefully and has found that there are very few that consistently benefit commodity producers and consumers. There are several reasons for this, most notably the following two. First, few such agreements are actually negotiated as economically sound and viable, if implemented as written; most often, they clearly contain the seeds of their own destruction. Second, even when an agreement is sound in theory, in practice it turns out almost invariably to have effects very different from those intended.

The disadvantages of commodity agreements have been demonstrated by long and bitter experience. Nevertheless, under certain circumstances, a commodity agreement can—at least in theory—increase the welfare of both producers and consumers by reducing price instability in the manner I noted

a moment ago. While arguments to that effect often seem to be mere wishful thinking or masks for other objectives, nevertheless, it is important to take a pragmatic approach and examine carefully whether a proposed commodity arrangement might work beneficially.

An international commodity agreement almost always is claimed to have as its principal aim the stabilization of the prices of the commodities it covers. On the surface, "stabilize" seems to refer only to reducing the volatility of commodity prices. This aim is legitimate, and I emphasize again that it benefits both producers and consumers.

In addition, however, the term "stabilize" often takes on the connotation of "support"—to hold the price higher, on the average, than it would be in a free market. The existence of an agreement creates a temptation to producers to try to elevate the average price. If an agreement does that, it transfers income from consumers to producers, obstructs the information function of prices, and—most important—sets in motion forces that will lead inevitably to the collapse or termination of the agreement. The damage that follows the collapse more than offsets the advantages that were obtained while the agreement appeared to be working, even for producers. For consumers, it is against their interest from the start to help raise the average price of the commodity, and while the market chaos that follows the collapse is not as damaging to consumers as to producers, it is not likely to benefit consumers more than temporarily.

U.S. Position on ICA

What I have said summarizes the background against which the United States has studied the advantages and disadvantages of various features of the International Coffee Agreement as it is and as it might be changed—not only the direct effects on the United States but also the indirect effects through its effects on friendly countries. The issues are complex, but we are near a conclusion.

The expiring ICA differs from other commodity agreements in which the United States has participated in recent years (namely, rubber currently and sugar formerly) in that it has no buffer stock and no rules governing the accumulation and release of official stocks in producing countries. If all of its provisions were fully implemented,

however, including the prohibition on sales at discounted prices to nonmember importing countries, it would work in a manner similar to a buffer stock arrangement. It imposes quotas on exports by producer countries to member importing countries at times of price downswings, but there is no provision for restricting production. If nonmember countries have to pay the same prices for coffee as do member countries, the quotas force the accumulation of stocks. These can then be sold at times of scarcity and high prices, such as we had early in 1986. The relaxation and subsequent suspension of quotas as prices rose made the accumulated stocks available to mitigate the scarcity. That fits the theory of how it should work—unless the stocks that should have been accumulated when prices were low were not accumulated but were instead sold to nonmembers, hence are not available to mitigate the scarcity.

The U.S. Government is concerned about income levels and income stability in many of the countries that depend heavily on coffee for their export revenues. These points, together with those I set out earlier on the arguments for sound commodity agreements in general, are the reasons why the United States joined the ICA and are the principal reasons for negotiating a new agreement. As you know, however, we do not believe that all is well with the coffee agreement. During some periods, the agreement has raised prices above the appropriate level, becoming itself a source of instability. When it supports prices above the long-run equilibrium level that would prevail in a free market, the agreement levies a hidden tax on consumers and subsidizes production in exporting countries. There is no precise estimate of the excess cost to consumers caused by the ICA—in fact, the amount obviously varies from year to year and may even have been negative in 1986 and 1987—but some estimates for some years are several billion dollars. That is, the ICA has involved "stabilization" in both of the two senses that I described—reducing volatility and artificially raising the level.

Some argue that we should accept this transfer of income on the grounds that it provides aid to developing coffee-producing countries. Such "aid," however is indiscriminate—so much so that it is fair to doubt whether much of it goes to the producing countries themselves. When stocks accumulated in the first few years of the current agree-

ment, many members sold coffee at a discount to nonmember countries. Some are still doing it, a matter of grave concern.

Through the operation of the two-tier market, nonmember countries receive subsidies of several hundred million dollars a year: They are the only countries that, with certainty, benefit from the operation of the ICA. A substantial part of the potential benefit to producers from artificially high prices for coffee is simply passed through to nonmembers. Another substantial part was returned to member importing countries (and shared with nonmembers) in 1986 and 1987, when previous accumulated stocks were partly worked off. But this benefit for all importing countries was less than member countries were entitled to, because much of the stocks that should have been accumulated had been sold earlier at discounts to nonmembers. In addition, even when prices are higher than they otherwise would be, this often fails to improve welfare in producing countries because marketing boards and similar arrangements keep the higher prices from reaching producers.

Since the United States first joined the ICA in 1962, U.S. per capita consumption of coffee has declined by 40%. While it is not clear how much of this reduction is due to the ICA, it is clear that it certainly did not benefit producers. Hence, the net result of the ICA for either producer member or consumer members is at best problematical.

What is clear is that the way that the present ICA operates makes neither economic nor political sense and should not continue. The manner of operation of a new ICA, to be acceptable to the United States, must be more market oriented. It must focus on stabilizing prices around their free-market trend without raising their average level. In sum, it must be both economically beneficial and politically realistic.

Future U.S. Participation in ICA

For several years, the U.S. delegation to meetings of this organization have tried to persuade other delegations to operate the ICA in a manner that would do a minimum of violence to the play of market forces. We are pleased that there has been some progress. We must make it clear, however, that the

remaining problems are so serious that participation in a new ICA is in jeopardy. The two most serious of these problems are the two-tier market—the sales to nonmember countries at prices below those paid by member countries—and the inability of our industry to obtain adequate supplies of the types of coffee our consumers prefer. Despite a great deal of effort, the former problem, in particular, continues unabated and casts a pall over the negotiations—such an extent that it was a serious question in our Administration whether even to participate in the present negotiation.

In carrying out our comprehensive analysis of the problems in the agreement and their possible solutions, we are consulting with major producing and consuming countries, with the secretariat of this organization, with our domestic industry, and with all interested departments of the U.S. Government. We find wide agreement about the nature of the problems, but so far we find no convergence on solutions. Large and influential groups both in government and in our private sector strongly prefer a free market and oppose our participation in this negotiation. Every solution proposed for a new agreement is adamantly opposed by one group in our government, in our industry, or in other countries. Thus, in this negotiation you face a formidable task, for it is not clear that a new ICA can be devised that can be signed and ratified by a sufficient number of countries, including the United States, to make it viable.

Despite the disagreements in the United States about what could be done, there is unanimous agreement that the present ICA has not worked acceptably well. An acceptable agreement should focus on reducing price volatility by withholding supplies when prices are exceptionally low and releasing supplies when prices are exceptionally high, relative to trend. It must show any effort to elevate the price above the free-market trend.

Despite the formidable difficulties that I have described, I believe that the negotiations that are starting here today can produce a new International Coffee Agreement that will benefit both producers and consumers. It will have to be fundamentally different from the present agreement. So you are setting out on a difficult task. Your chances of success are greater if you understand the difficulties, and face up to them. ■

Telecommunications and Economic Development in the Caribbean

by Parker W. Borg

Address before the conference on the Caribbean, sponsored by the Caribbean/Central American Action (CCAA) and the Caribbean Telecommunications Council, in Miami on November 30, 1988. Ambassador Borg is Deputy Coordinator and Deputy Director of the Bureau of International Communications and Information Policy.

My remarks today will focus on one of the most important goals of U.S. international communications and information policy: expanding the economic and social benefits of the information age to the developing nations. Telecommunications advances offer unprecedented opportunities for countries across the globe. There are few other developing regions, however, where the impact of recent telecommunications technology is so evident or where the potential for future growth is so great as in the Caribbean Basin. In many ways, the Caribbean serves as a model for the developing world on the effective use of telecommunications technologies for economic progress.

Recent telecommunications developments in the Caribbean Basin permit me to easily cite numerous local examples to make a very basic but little-recognized point: Efficient telecommunications networks are not luxuries reserved for the industrialized world. Rather, they are essential elements for the economic progress of every nation in a competitive world market increasingly dependent on the latest information.

The Changing Environment

In the last 10 years, sophisticated telecommunications networks have become the central nervous system of a new service-oriented global economy. Trade in services now represents over 30% of world trade, and the percentage is increasing quickly. Today, people are doing much more than just talking on the phone. While voice communications continue to dominate our telecommunications networks, machine-generated traffic is gaining rapidly. In fact, on AT&T's U.S. network, data traffic is

soaring by some 15%–20% per year and could well account for half its traffic by the mid-1990s.

The world market for these new "value added" or "enhanced" telecommunications services is growing by 20% per year, as opposed to 5% for telephony and telex. The rising value of these services is demonstrated by the fact that one of the largest U.S. air carriers, American Airlines, now earns more revenue from its computerized reservation service than from its traditional airlines business. American Airlines, incidentally, runs much of its high volume reservation system from computers located in the Dominican Republic.

Instantaneous communications have created a global financial market in which daily transactions exceed \$1 trillion—or about the same as the entire annual budget of the U.S. Government. Most of these transactions move electronically across national borders via international computer networks. The October 19, 1987, stock market crash—which reverberated instantaneously in financial markets around the world—confirmed how pervasive these networks have become.

The transformations propelled by communications and information technologies rank among the most revolutionary in human history. The U.S. Congressional Office of Technology Assessment, in a May 1988 report, noted: "The potential productivity gains in this area—the movement and organization of information—are at least as great as those produced when the first Industrial Revolution began to revolutionize productivity in moving and transforming material objects."

In today's information age, access to ideas—no matter where they are developed—is the key to national success. Information is as crucial to us as capital, geography, and raw materials were in the past. As a result, nations are recognizing that material well-being in the information age requires a freer flow of ideas and information. Even communist regimes are opening up their political systems and promoting market-oriented policies in response to information age realities. Let me offer a quote here.

The era of the 1980's has ushered in the dawn of the Information Age. The combination of digital telecommunications fibre optics and computers have brought civilization to the threshold of the third technological revolution. The synergistic effects of these for us are simply mind boggling. The potential impact on our way of living is staggering and infinite.

Which futurist am I quoting here? Neither an American nor a European, but a citizen of the Caribbean Basin, the Honorable Dr. Keith Mitchel, Minister of Utilities of Grenada, who spoke these words earlier this month at the second annual meeting of the CARICOM [Caribbean Community and Common Market] ministers of telecommunication.

Telecommunications and Economic Development

What do these dramatic changes mean for the developing world in general and the Caribbean nations in particular? I would like to make three points here.

First, while universal service must certainly remain a priority for all countries—industrialized and developing—providing the fastest, most modern telecommunications system for urban and industrial areas should not be overlooked. Just as good harbors, fertile soil, and mineral wealth were critical resources for past economic development, good telephone connections with the outside world will be among the most important resources of the information age. Those states with the best telecommunications will have a distinct advantage over any neighbor who fails to exploit this basic resource of the information age.

This business-oriented side of the telecommunication picture should be recognized for what it is—an engine of economic growth, increased employment, and more revenues to pay for other development needs, such as the extension of universal service, but including also housing, education, and health care. Telecommunications offer more bang for scarce bucks, because improved technology has actually brought down the cost of providing and maintaining telecommunications services. Recent economic studies on the relationship between telecommunications availability and economic growth in the Philippines and Costa Rica established cost-benefit ratios of over 5 to 1 and in some sectors 48 to 1.

A modern telecommunications infrastructure is also a magnet for much needed foreign investment, since the burgeoning telecommunications service providers and users invariably seek to operate in countries with high-quality telecommunications networks and a liberal regulatory climate. In addition, the rapidity of telecommunications advances has made it possible for many nations to "leapfrog" technology. It is not only possible, but logical, for countries to move to the latest equipment and systems without investing in the intermediary stages that evolved in industrialized countries.

Second, competition tends to produce more options for the demanding users of today. New telecommunications services and technologies—from personal computers, automated teller machines, telefax machines, data bases, digital private networks, and computerized airline reservation systems—are revolutionizing the way we do business. The traditional telecommunications monopolies lack both the vision and the resources to offer the variety of services that are now available and at the low costs required by a dynamic business sector.

Many countries are concluding, therefore, as we did some time ago in the United States, that telecommunications is no longer a natural monopoly. In addition to the United States, which broke up AT&T in 1984, the United Kingdom and Japan have both privatized their former telecommunications monopolies and allowed a competitor in basic telephone services. The list of countries which have opened their markets to competition in terminal equipment and the provision of enhanced services is growing significantly as a result of the European Community's "Green Paper," which is to be fully implemented by 1992. The Netherlands and the Federal Republic of Germany are both already well into the process of liberalizing their telecommunications monopolies. These countries are finding that competition not only brings down costs but increases the variety of services offered.

Third, some countries are discovering that privatization can offer advantages beyond those brought by competition. Many states are finding that a private company not only can offer more innovative services but also can overcome many of the management difficulties that plague government bureaucracies. Privatization can also

garner revenue for hard-pressed national budgets. By the same token, privatizing a telecommunications entity is an excellent way to access capital for development purposes, since the privatized company can tap commercial lending sources. Jamaica, for example, sold 29% of its state telephone company to Cable & Wireless last year, gaining \$55 million for its national treasury and expanding its credit possibilities.

I am not suggesting here the surrender of national sovereignty over the telecommunications sector to foreign interests but rather the recognition that external capital should not be overlooked in this process. I understand that other Caribbean Basin countries which have either privatized their telecommunications administrations or are seriously studying the advantages include the Dominican Republic, Costa Rica, Guatemala, Grenada, Trinidad and Tobago, and Belize.

In spite of the frequently cited benefits, many countries continue to place their highest priority on protecting the revenue streams of their telecommunications monopolies. Others fear that investment in sophisticated telecommunications for the business community will siphon resources away from basic telephone services. These nations are shortsighted. Their neighbors who give liberalized telecommunications approaches a high priority in economic planning are the ones most likely to succeed in the years ahead.

Caribbean Examples

The Caribbean Basin has been blessed with leaders who have recognized the long-term potential of telecommunications to their economies. Consequently, some Caribbean states have moved to the very cutting edge of the information revolution. Undersea optical fiber cables, for instance, were originally conceived for very heavy traffic routes in the industrialized north. However, in the middle of 1990, the Caribbean was to have use of the 2,400-mile-long, \$130 million trans-Caribbean fiber optic cable (TCS-1), which will dramatically increase the total capacity for voice and data traffic. The high-capacity TCS-1 (jointly owned by AT&T and 11 other telecommunications companies) will link the United States, Puerto Rico, Jamaica, the Dominican Republic, and Colombia. Its enormous capacity should spur lower telecommunications costs and wider options for service providers and users in the region.

Even before this fiber optic cable goes into operation, the region will have advanced telecommunications networks joining the Caribbean with the United States, Canada, and Europe, especially for the switching of large packets of data. Already, a growing number of data entry firms operate in the region but have relied until recently on expensive air shipping of documents and computer disks. A much faster and less expensive delivery mode will be available as teleports enter the scene. These groupings of satellite earth stations near business centers will speed up processing in the Caribbean of airfares and credit card coupons; the typing of address labels; and the typesetting of manuscripts, novels, and telephone directories.

An educated workforce and salary levels of about 30% of those in the United States promise to make these nations in the Caribbean a major source of foreign investment and new jobs well into the next decade. According to a recent study commissioned by the Agency for International Development (AID), the number of Caribbean workers employed in the data entry industry will grow from the current 3,500 to 10,000 in the 1990s.

The first of the new teleport operations, called "Jamaica Digiport International," began operations recently in Montego Bay free zone. The \$8 million venture is owned jointly by AT&T, Cable & Wireless, and Telecommunications of Jamaica. The data entry industry already employs 2,000 people in Jamaica. That number should jump as a result of "Digiport," which will initially transmit data and voice signals via INTELSAT [International Telecommunications Satellite Organization] satellites but will switch to fiber optic cables when TSC-1 comes on line.

"Digiport" should attract other information businesses besides data entry services. For example, toll-free telemarketing services, such as airline reservations or customer assistance, could be easily handled there. This park could create as many as 10,000 jobs for the island within 5 years, according to projections by AT&T and Jamaican officials.

Enhanced telecommunications services are also fueling foreign investment and economic development in the Dominican Republic. The Dominican Telephone Company, CODETEL, and Caribbean Data Services, a subsidiary of American Airlines, have reportedly invested \$8 million in a data entry park

at the privately owned San Isidro free zone, which will house a teleport. Westinghouse also has plans to establish a plant for data entry and digitized drawings in the free zone. The multiplier effect of these operations has already spilled over into other sectors of the economy, causing CODETEL to double its number of employees since late 1985. In 1988, the company expects to add between 500 and 800 new employees, and employment is expected to grow at a similar rate in the future.

Barbados is likewise upgrading its growing data services sector, already the most advanced in the eastern Caribbean. The Caribbean data entry business actually started in Barbados 28 years ago, but until 1984, the industry remained tiny. That year, American Airlines started its Caribbean data services operation, which grew quickly and now employs almost 300 people. The 12 data processing firms in Barbados employ close to 1,000 workers. The sector created more than 200 new jobs during the first 6 months of this year. In the coming months, the Barbados Industrial Development Corporation plans to open a specialized complex, which will include a teleport catering to offshore data processors.

While a few U.S. companies, such as American Airlines, have established their own data entry firms in the Caribbean, most turn out work to local entrepreneurs at some 40 computer centers on a half-dozen islands. One such entrepreneur, Lennox Robinson of Jamaica, invested \$50,000 for 11 IBM personal computers in 1984. Today, his firm has contracts from a half-dozen U.S. companies, employs 160 workers in 3 shifts, and is still growing.

Part of this success story is due to geography. Some of our neighbors believe that living next to the United States is like being in bed with an elephant. Any move by the elephant, no matter how amorous, tends to cause some damage. In telecommunications, this is not the case. Because of its closeness to the United States, the Caribbean Basin is ideally situated to take advantage of the opportunities which satellite and computer technologies provide. The irregular shape of the United States and the location of geostationary orbits cause the footprint of U.S. domestic broadcast satellites to cover the Caribbean, which can take advantage of the coverage. In addition to its proximity to the world's largest market,

most of the Caribbean shares a common language with the United States. While I am thinking mainly of English, Spanish is fast becoming our second language. In fact, with over 19 million people of Hispanic descent, the United States is well on its way to becoming one of the larger Spanish-speaking countries in the world.

At the same time, it must be noted that technology is making geography less relevant. Access to computer information banks and high-speed data flows can make an enterprise in Nassau as competitive as one in Los Angeles or Sydney. A banana grower near Port Antonio can call up any article from the National Agricultural Library in Washington. Within the Caribbean, too, members of CONCARID, a regional computer cooperative network, can find successful development models to emulate. Reportedly, one-half of the farmers in Dominica successfully diversified their crops following a model identified by CONCARID, making Dominica less dependent on its primary crop, bananas.

U.S. Government Role

So far, I have talked about how the governments in the region and the private sector have joined hands to stimulate economic development through telecommunications. What is the U.S. Government role in this process? We at the Department of State's Bureau of International Communications and Information Policy—in close coordination with the Department of Commerce, the Federal Communications Commission, and other U.S. Government agencies—are working both bilaterally and multilaterally to ensure that the new technology makes its full contribution to developing as well as developed countries.

On the multilateral front, we coordinate U.S. participation in the International Telecommunication Union (ITU), the principal forum for the setting of international telecommunications standards and management of the international radio spectrum. We confront an immediate test at the ITU's World Administrative Telegraph and Telephone Conference (WATTC), which will have significant implications for the Caribbean Basin. WATTC, which began 2 days ago in Melbourne, Australia, will set the future regulatory framework for new international network-based telecommunications services. These include the data networks and

other services sparking economic development in the Caribbean. We believe that the framework for these services should be as flexible as possible to allow technology to develop unhindered by cumbersome ITU regulations.

Some other nations with strong telecommunications monopolies favor bringing the new services under the same kind of ITU regulations as those for traditional voice services. Because the outcome of WATTC could have important implications for the flourishing telecommunications services in the Caribbean Basin, we are hopeful that Caribbean governments will recognize this interest and support the flexible approaches proposed by the United States and other liberalizing countries.

In recent years, the ITU has taken on increasing responsibility for communications development. Its Technical Cooperation Department has been mobilizing technical cooperation for nearly three decades. As a result of the 1985 Maitland commission report, the ITU established the Center for Telecommunications Development in Geneva. ITU communications development programs have provided tangible benefits for the Caribbean Basin. The ITU's communications development programs will be on the table—as well as all of its other activities—at the May–June 1989, ITU plenipotentiary conference in Nice, France. At this conference, we will propose ways to make the ITU's communications development programs more effective. In particular, we believe that the Center for Telecommunications Development needs to define its special role better and focus its activities on high-priority initiatives. I encourage Caribbean leaders to also take a hard look at these programs and work with us to improve them.

In preparation for the plenipotentiary conference, we are updating a 1984 AID-sponsored study of U.S. Government contributions to communications

development and are cataloging for the first time a representative sample of the various private sector contributions. In addition to providing some surprising statistics, this study should serve as a useful reference which Caribbean and other developing countries can use to identify previously unexplored sources of assistance.

Bilaterally, the U.S. Government will continue to work closely with industry, Caribbean government leaders, and major international financing institutions—such as the World Bank, the Inter-American Development Bank, and the Export-Import Bank—to promote pragmatic and innovative uses of telecommunications in this region. I might mention that the State Department coordinated the bilateral negotiations in 1984–85 which led to trans-border satellite agreements with a majority of the countries in the Caribbean Basin. These agreements have allowed the region to exploit the spill-over coverage by U.S. domestic satellites.

The State Department has also coordinated the consultations in INTELSAT for the first U.S. competitive satellite system separate from INTELSAT. We believe that this limited competition with INTELSAT will foster lower costs and new services. In October of this year, the INTELSAT Assembly of Parties approved service by the first such system, PANAMSAT, to the Dominican Republic and Costa Rica.

One of our key objectives is to kindle greater interest by the U.S. private sector in the developing world. Congress has been very supportive of our efforts. This year, for instance, thanks to the leadership of Congressman Dante Fascell, Chairman of the House Foreign Affairs Committee, the State Department received a special 1988 allocation of \$250,000 to promote communications development. We will be receiving a similar allocation in fiscal year (FY) 1989. We assigned most of the FY 1988 allocation to the ITU Center for Telecommunications Development.

Another part of the 1988 allocation went to the U.S. Telecommunications Training Institute (USTTI) to develop pilot project to export its highly successful training program to telecommunications training institutes in the developing world. This important training institute, which relies in great part on free training programs offered by U.S. companies, has trained 1,431 experts from more than 108 countries in the last 6 years. Over one-fourth of these, a total of 367, have been from the Caribbean Basin. USTTI is an excellent example of the commitment of U.S. industry to communications development.

Nonetheless, U.S. industry is oft too wedded to its quarterly balance sheets. It must take a longer term approach to the Third World, an approach which recognizes that in spite of frequently reported problems, these are vast new markets for tomorrow. I am happy to observe that, in the case of the Caribbean Basin, American industry seems to have awakened to some of the market opportunities in telecommunications.

The growth of data entry and other services supported by telecommunications has been one of the outstanding success stories of the region since the beginning of the Caribbean Basin Initiative (CBI). These ventures represent the kind of synergism embodied in the CBI—a synergism based on our inextricably linked political and economic destinies. Because of this common destiny, the United States will continue seek sustained Caribbean Basin economic development and strengthened democratic institutions. Telecommunications, we believe, will play an increasingly vital role in that process.

CSCE Follow-Up Meeting Held in Vienna

The follow-up meeting of the Conference on Security and Cooperation in Europe (CSCE) was held in Vienna November 4, 1986-January 17, 1989.

Following is the text of the concluding document, Secretary Shultz's address at the closing session of that meeting, and the Secretary's news conference.

Concluding Document of the Vienna Meeting 1986 of Representatives of the Participating States of the Conference on Security and Co-operation in Europe, Held on the Basis of the Provisions of the Final Act Relating to the Follow-up to the Conference

The representatives of the participating States of the Conference on Security and Co-operation in Europe (CSCE), Austria, Belgium, Bulgaria, Canada, Cyprus, Czechoslovakia, Denmark, Finland, France, the German Democratic Republic, the Federal Republic of Germany, Greece, the Holy See, Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, the Netherlands, Norway, Poland, Portugal, Romania, San Marino, Spain, Sweden, Switzerland, Turkey, the Union of Soviet Socialist Republics, the United Kingdom, the United States of America and Yugoslavia met in Vienna from 4 November 1986 to 19 January 1989 in accordance with the provisions of the Final Act relating to the Follow-up to the Conference, as well as on the basis of the other relevant CSCE documents.

The participants were addressed on 4 November 1986 by the Austrian Federal Chancellor.

Opening statements were made by all Heads of Delegations among whom were Ministers and Deputy Ministers of many participating States. Some Ministers of Foreign Affairs addressed the Meeting also at later stages.

The participants were addressed by a representative of the Secretary-General of the United Nations. Contributions were made by representatives of the United Nations Economic Commission for Europe (ECE) and UNESCO (UN Educational, Scientific & Cultural Organization).

Contributions were also made by the following non-participating Mediterranean States: Algeria, Egypt, Israel, Lebanon, Libya, Morocco, Syria and Tunisia.

The representatives of the participating States reaffirmed their commitment to the CSCE process and underlined its essential role in increasing confidence, in opening up new ways for cooperation, in promoting respect for human rights and fundamental freedoms and thus strengthening international security.

The participating States welcomed the favourable developments in the international situation since the conclusion of the Madrid Meeting in 1983 and expressed their satisfaction that the CSCE process has contributed to these developments. Noting the intensification of political dialogue among them and the important progress in negotiations on military security and disarmament, they agreed that renewed efforts should be undertaken to consolidate these positive trends and to achieve a substantial further improvement of their mutual relations. Accordingly, they reaffirmed their resolve to implement fully, unilaterally, bilaterally and multilaterally all the provisions of the Final Act and of the other CSCE documents.

As provided for in the agenda of the Vienna Meeting, the representatives of the participating States held a thorough exchange of views both on the implementation of the provisions of the Final Act, and the Madrid Concluding Document and of the tasks defined by the Conference, as well as, in the context of the questions dealt with by the latter, on the deepening of their mutual relations, the improvements of security and the development of cooperation in Europe and the development of the process of detente in the future.

During this exchange of views the participating States examined thoroughly and in detail the implementation of the Final Act and of the Madrid Concluding Document. Different and at times contradictory opinions were expressed about the extent of the realization of these commitments. While encouraging developments were noted in many areas, the participants criticized the continuing serious deficiencies in the implementation of these documents.

An open and frank discussion was held about the application of and respect for the principles of the Final Act. Concern was expressed about serious violations of a

number of these principles. In particular, questions relating to respect for human rights and fundamental freedoms were the focus of intensive and controversial discussion. The participating States agreed that full respect for the principles, in all their aspects, is essential for the improvement of their mutual relations.

The implementation of the provisions of the Final Act concerning confidence-building measures, co-operation in the field of economics, of science and technology and of environment, concerning questions relating to security and cooperation in the Mediterranean as well as concerning co-operation in humanitarian and other fields was discussed. The implementation of the provisions of the Madrid Concluding Document and of other CSCE documents was also discussed. It was considered that the numerous possibilities offered by the Final Act had not been sufficiently utilized.

The participating States also expressed concern about the spread of terrorism and condemned it unreservedly.

The discussion reflected the broader context of the CSCE process and confirmed the importance of taking into account its world dimension in implementing the provisions of the Final Act.

In their deliberations the representatives of the participating States took into account the results of

- the Stockholm Conference on Confidence- and Security-Building Measures and Disarmament in Europe;
- the Athens Meeting of Experts in order to pursue the examination and elaboration of a generally acceptable method for the peaceful settlement of disputes aimed at complementing existing methods;
- the Venice Seminar on Economic, Scientific and Cultural Co-operation in the Mediterranean;
- the Ottawa Meeting of Experts on Questions concerning Respect, in their States, for Human Rights and Fundamental Freedoms, in all their Aspects, as embodied in the Final Act;
- the Budapest "Cultural Forum";
- the Bern Meeting of Experts on Human Contacts.

The participating States moreover noted that the tenth anniversary of the signing of the Final Act had been commemorated at Helsinki on 1 August 1985.

The participating States reaffirmed their commitment to the continuation of the CSCE process as agreed to in the chapter on the Follow-up to the Conference contained in the Final Act. Recognizing

the need for balanced progress in all sections of the Final Act, they expressed their determination also to benefit from new opportunities for their cooperation and reached corresponding decisions concerning follow-up activities.

The representatives of the participating States examined all the proposals submitted to the Meeting and agreed on the following:

Questions Relating to Security in Europe

The participating States express their determination

- to build on the current positive developments in their relations in order to make detente a viable, comprehensive and genuine process, universal in scope;
- to assume their responsibility fully to implement the commitments contained in the Final Act and other CSCE documents;

- to intensify their efforts to seek solutions to problems burdening their relations and to strengthen safeguards for international peace and security;

- to promote cooperation and dialogue among them, to ensure the effective exercise of human rights and fundamental freedoms and to facilitate contacts and communication between people;

- to exert new efforts to make further progress to strengthen confidence and security and to promote disarmament.

Principles

1. The participating States reaffirm their commitment to all ten principles of the Final Act's Declaration on Principles Guiding Relations between Participating States and their determination to respect them and put them into practice. The participating States reaffirm that all these Principles are of primary significance and, accordingly, will be equally and unreservedly applied, each of them being interpreted taking into account the others.

2. They stress that respect for and full

application of these principles, as well as strict compliance with all CSCE commitments deriving from them, are of great political importance and essential for building confidence and security as well as for the development of their friendly relations and of their cooperation in all fields.

3. In this context, they confirm that they will respect each other's right freely to choose and develop their political, social, economic and cultural systems as well as their right to determine their laws, regulations, practices and policies. In exercising these rights, they will ensure that their laws, regulations, practices and policies conform with their obligations under international law and are brought into harmony with the provisions of the Declaration on Principles and other CSCE commitments.

4. They also confirm that, by virtue of the principle of equal rights and self-determination of peoples and in conformity with the relevant provisions of the Final Act, all peoples always have the right, in full freedom, to determine, when and as they wish their internal and external political status without external interference, and to pursue as they wish their political, economic social and cultural development.

5. They confirm their commitment strictly and effectively to observe the principle of the territorial integrity of States. They will refrain from any violation of this principle and thus from any action aimed by direct or indirect means, in contravention of the purposes and principles of the Charter of the United Nations, other obligations under international law or the provisions of the Final Act, at violating territorial integrity, political independence or the unity of a State. No actions or situations in contravention of this principle will be recognized as legal by the participating States.

6. The participating States confirm their commitment to the principle of peaceful settlement of disputes, convinced that it is an essential complement to the duty of States to refrain from the threat or use of force, both being essential factors for the maintenance and consolidation of peace and security. They express their determination to pursue continuous efforts to examine and elaborate, on the basis of the relevant provisions of the Final Act and the Madrid Concluding Document, and taking into account the reports of the meetings of experts in Montreux and Athens, a generally acceptable method for the peaceful settlement of disputes aimed at complementing existing methods. In this context they accept, in principle, the mandatory involvement of a third party when a dispute cannot be settled by other peaceful means.

7. In order to ensure the progressive implementation of this commitment, including, as a first step, the mandatory involvement of a third party in the settlement of certain categories of disputes, they decide to convene a Meeting of Experts in Valletta from 15 January to

President Reagan's Message

It is my great pleasure to be able to mark the accomplishment of another significant milestone in the history of the Conference on Security and Cooperation in Europe—the conclusion in Vienna of the third follow-up meeting of the CSCE.

The Vienna meeting demonstrates again the importance of the process which began with the historic signing of the Helsinki Final Act in 1975. It is clear that what started as a forum for 35 nations to express their hopes and concerns for reducing tensions in Europe has become a process dedicated to the strengthening of peace, human rights and economic cooperation among all participants. The CSCE process is now an integral part of the landscape of Europe and North America. It serves as a standard for measuring progress toward the goal of ensuring human dignity and the rights of individuals everywhere. Furthermore, it gives us a way of judging how each country has met these standards. It stimulates efforts to improve working conditions and safeguard the environment. It continues to serve as a means to reduce tensions in Europe, as demonstrated by the upcoming negotiations on Confidence- and Security-Building Measures, which will

build upon the successes in Stockholm of the first CDE [Conference on Confidence- and Security-Building Measures and Disarmament in Europe] conference. With the conclusion of the Vienna meeting, an autonomous negotiation on conventional stability will also begin within the framework of the CSCE process in order to address the imbalance in conventional forces which constitutes the core of the security problem in Europe.

The CSCE process is significant not only for its lofty goals but also for the practical benefits it has brought. Implementation of commitments, while still uneven in many countries, has improved dramatically. This new document can stimulate more effective implementation because it provides sharply focused standards and offers a balanced program of meetings to encourage further progress in human rights, economic and scientific cooperation and European security.

With effective implementation, the Conference on Security and Cooperation in Europe can make further historic contributions to the lives of people in Europe.

RONALD REAGAN

February 1991 to establish a list of such categories and the related procedures and mechanisms. This list would be subject to subsequent gradual extension. The Meeting will also consider the possibility of establishing mechanisms for arriving at binding third-party decisions. The next SCE Follow-up Meeting will assess the progress achieved at the Meeting of Experts. The agenda, timetable and other organizational modalities are set out in annex 1.

8. The participating states unreservedly condemn, as criminal, all acts, methods and practices of terrorism, wherever and by whomever committed, including those which jeopardize friendly relations among States and their security, and agree that terrorism cannot be justified under any circumstances.

9. They express their determination to work for the eradication of terrorism both laterally and through multilateral co-operation, particularly in such international fora as the United Nations, the International Civil Aviation Organization and the International Maritime Organization and in accordance with the relevant provisions of the Final Act and the Madrid Concluding Document.

10. Convinced of the need to combine measures at a national level with reinforced international cooperation, the participating States express their intention

10.1 • to pursue a policy of firmness in response to terrorist demands;

10.2 • to reinforce and develop bilateral and multilateral co-operation among themselves in order to prevent and combat terrorism as well as to increase efficiency in strengthening co-operation at the bilateral level in the framework of groups of States, including, as appropriate, through the exchange of information;

10.3 • to prevent on their territories illegal activities of persons, groups or organizations that instigate, organize or engage in the perpetration of acts of terrorism or subversive or other activities directed towards the violent overthrow of the regime of another participating State;

10.4 • to take effective measures for prevention and suppression of acts of terrorism directed at diplomatic or consular representatives and against terrorism involving violations of the Vienna Conventions on Diplomatic and Consular Relations, in particular their provisions relating to diplomatic and consular privileges and immunities;

10.5 • to ensure the extradition or prosecution of persons implicated in terrorist acts and to cooperate closely in cases of conflict of jurisdiction where several States are concerned, acting in both respects in accordance with the relevant international agreements;

10.6 • to consider becoming parties, if they have not yet done so, to the relevant international conventions relating to the suppression of acts of terrorism;

10.7 • to continue to work in the appropriate international bodies in order to improve and extend measures against terrorism and to ensure that the relevant agreements are accepted and acted upon by as many States as possible.

11. They confirm that they will respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion. They also confirm the universal significance of human rights and fundamental freedoms, respect for which is an essential factor for the peace, justice and security necessary to ensure the development of friendly relations and co-operation among themselves, as among all States.

12. They express their determination to guarantee the effective exercise of human rights and fundamental freedoms, all of which derive from the inherent dignity of the human person and are essential for his free and full development. They recognize that civil, political, economic, social, cultural and other rights and freedoms are all of paramount importance and must be fully realized by all appropriate means.

13. In this context they will

13.1 • develop their laws, regulations and policies in the field of civil, political, economic, social, cultural and other human rights and fundamental freedoms and put them into practice in order to guarantee the effective exercise of these rights and freedoms;

13.2 • consider acceding to the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the Optional Protocol to the Covenant on Civil and Political Rights and other relevant international instruments, if they have not yet done so;

13.3 • publish and disseminate the text of the Final Act, of the Madrid Concluding Document and of the present Document as well as those of any relevant international instruments in the field of human rights, in order to ensure the availability of these documents in their entirety, to make them known as widely as possible and to render them accessible to all individuals in their countries, in particular through public library systems;

13.4 • effectively ensure the right of the individual to know and act upon his rights and duties in this field, and to that end publish and make accessible all laws, regulations and procedures relating to human rights and fundamental freedoms;

13.5 • respect the right of their citizens to contribute actively, individually or in association with others, to the promotion and protection of human rights and fundamental freedoms;

13.6 • encourage in schools and other educational institutions consideration of the promotion and protection of human rights and fundamental freedoms;

13.7 • ensure human rights and fundamental freedoms to everyone within their territory and subject to their jurisdiction, without distinction of any kind such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status;

13.8 • ensure that no individual exercising, expressing the intention to exercise or seeking to exercise these rights and freedoms, or any member of his family, will as a consequence be discriminated against in any manner;

13.9 • ensure that effective remedies as well as full information about them are available to those who claim that their human rights and fundamental freedoms have been violated; they will, *inter alia*, effectively apply the following remedies:

• the right of the individual to appeal to executive, legislative, judicial or administrative organs;

• the right to a fair and public hearing within a reasonable time before an independent and impartial tribunal, including the right to present legal arguments and to be represented by legal counsel of one's choice;

• the right to be promptly and officially informed of the decision taken on any appeal, including the legal grounds on which this decision was based. This information will be provided as a rule in writing and, in any event, in a way that will enable the individual to make effective use of further available remedies.

14. The participating States recognize that the promotion of economic, social, cultural rights as well as of civil and political rights is of paramount importance for human dignity and for the attainment of the legitimate aspirations of every individual. They will therefore continue their efforts with a view to achieving progressively the full realization of economic, social and cultural rights by all appropriate means, including in particular by the adoption of legislative measures.

In this context they will pay special attention to problems in the areas of employment, housing, social security, health, education and culture. They will promote constant progress in the realization of all rights and freedoms within their countries, as well as in the development of their relations among themselves and with other States, so that everyone will actually enjoy to the full his economic, social and cultural rights as well as his civil and political rights.

15. The participating States confirm their determination to ensure equal rights of men and women. Accordingly, they will take all measures necessary, including legislative measures, to promote equally effective participation of men and women in political, economic, social and cultural life. They will consider the possibility of acceding to the Convention on the Elimination of All Forms of Discrimination Against Women

if they have not yet done so.

16. In order to ensure the freedom of the individual to profess and practice religion or belief the participating States will, *inter alia*,

16.1 • take effective measures to prevent and eliminate discrimination against individuals or communities, on the grounds of religion or belief in the recognition, exercise and enjoyment of human rights and fundamental freedoms in all fields of civil, political, economic, social and cultural life, and ensure the effective equality between believers and non-believers;

16.2 • foster a climate of mutual tolerance and respect between believers of different communities as well as between believers and non-believers;

16.3 • grant upon their request to communities of believers, practising or prepared to practise their faith within the constitutional framework of their States, recognition of the status provided for them in their respective countries;

16.4 • respect the right of religious communities to

- establish and maintain freely accessible places of worship or assembly;
- organize themselves according to their own hierarchical and institutional structure;
- select, appoint and replace their personnel in accordance with their respective requirements and standards as well as with any freely accepted arrangement between them and their State;
- solicit and receive voluntary financial and other contributions;

16.5 • engage in consultations with religious faiths, institutions and organizations in order to achieve a better understanding of the requirements of religious freedom;

16.6 • respect the right of everyone to give and receive religious education in the language of his choice, individually or in association with others;

16.7 • in this context respect, *inter alia*, the liberty of parents to ensure the religious and moral education of their children in conformity with their own convictions;

16.8 • allow the training of religious personnel in appropriate institutions;

16.9 • respect the right of individual believers and communities of believers to acquire, possess and use sacred books, religious publications in the language of their choice and other articles and materials related to the practice of religion or belief;

16.10 • allow religious faiths, institutions and organizations to produce and import and disseminate religious publications and materials;

16.11 • favorably consider the interest of religious communities in participating in public dialogue, through mass media.

17. The participating States recognize that the exercise of the above mentioned rights relating to the freedom of religion or belief may be subject only to such limita-

tions as are provided by law and consistent with their obligations under international law and with their international commitments. They will ensure in their laws and regulations and in their application the full and effective implementation of the freedom of thought, conscience, religion or belief.

18. The participating States will exert sustained efforts to implement the provisions of the Final Act and of the Madrid Concluding Document pertaining to national minorities. They will take all the necessary legislative, administrative, judicial and other measures and apply the relevant international instruments by which they may be bound, to ensure the protection of human rights and fundamental freedoms of persons belonging to national minorities within their territory. They will refrain from any discrimination against such persons and contribute to the realization of their legitimate interests and aspirations in the field of human rights and fundamental freedoms.

19. They will protect and create conditions for the promotion of the ethnic, cultural, linguistic and religious identity of national minorities on their territory. They will respect the free exercise of rights by persons belonging to such minorities and ensure their full equality with others.

20. The participating States will respect fully the right of everyone

- to freedom of movement and residence within the borders of each State, and
- to leave any country, including his own, and to return to his country.

21. The participating States will ensure that the exercise of the above mentioned rights shall not be subject to any restrictions except to those which are provided by law and consistent with their obligations under international, in particular the International Covenant on Civil and Political Rights and their international commitments, in particular the Universal Declaration of Human Rights. These restrictions have the character of exceptions. The participating States will ensure that these restrictions are not abused and are not applied in an arbitrary manner, but in such a way that the effective exercise of these rights is ensured.

22. In this context they will allow all refugees who so desire to return in safety to their homes.

23. The participating States will

23.1 • ensure that no one shall be subjected to arbitrary arrest, detention or exile;

23.2 • ensure that all individuals in detention or incarceration will be treated with humanity and with respect for the inherent dignity of the human person;

23.3 • observe the UN Standard Minimum Rules for the Treatment of Prisoners as well as the UN Code of Conduct for Law Enforcement Officials;

23.4 • prohibit torture and other cruel, inhuman or degrading treatment or punishment and take effective legislative, administrative, judicial and other measures to prevent and punish such practices;

23.5 • consider acceding to the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, if they have not yet done so;

23.6 • protect individuals from any psychiatric or other medical practices that violate human rights and fundamental freedoms and take effective measures to prevent and punish such practices.

24. With regard to the question of capital punishment, the participating States note that capital punishment has been abolished in a number of them. In participating States where capital punishment has not been abolished, sentence of death may be imposed only for the most serious crimes in accordance with the law in force at the time of the commission of the crime and not contrary to their international commitments. This question will be kept under consideration. In this context, the participating States will co-operate with relevant international organizations.

25. With the aim of developing mutual understanding and confidence, promoting friendly and good neighbourly relations, strengthening international peace, security and justice and of improving the implementation of their CSCE commitments, the participating States will further develop co-operation and promote dialogue between them in all fields and at all levels on the basis of full equality. They agree that full respect for and application of the Principles and the fulfilment of the other CSCE provisions will improve their relations and advance the development of their co-operation. They will refrain from any action consistent with the provisions of the Final Act and other CSCE documents and recognize that any such action would impair relations between them and hinder the development of co-operation among them.

26. They confirm that governments, institutions, organizations and persons have a relevant and positive role to play in contributing to the achievement of the aim of their co-operation and to the full realization of the Final Act. To that end they respect the right of persons to observe, promote the implementation of CSCE provisions and to associate with others for this purpose. They will facilitate direct contacts and communication among the persons, organizations and institutions within and between participating States and remove, where they exist, legal and administrative impediments inconsistent with the CSCE provisions. They will also take effective measures to facilitate access to information on the implementation of CSCE provisions and to facilitate the free expression of views on these matters.

27. The participating States heard counts of the Meeting of Experts on questions concerning respect, in their State for human rights and fundamental free-

Ambassador Zimmermann's Message

When the United States joined 34 other nations in opening the Vienna meeting in November 1986, we pledged ourselves to work for improved compliance with the human rights commitments we had all undertaken. The results, though uneven, have been remarkable. In the last two years:

- Jamming of radio broadcasts has ceased. Now all of our citizens, not just those in Western and some Eastern countries, can choose for themselves what they want to listen to.

- Last year more than seven million East Germans visited the West, and more than five million West Germans visited the German Democratic Republic—record numbers in both directions. Some 20,000 Jews emigrated from the Soviet Union—the highest figure in nearly a decade.

- Over 600 political prisoners have been freed from Soviet prisons. Minor rights have been vociferously demanded and in some cases granted. Dissidents have been permitted a greater scope of activity. And religious believers have begun to win more tolerance.

- Political pluralism has grown in Eastern Europe, especially in Hungary, Poland, and the Soviet Union. Unfortunately Bulgaria, Czechoslovakia, and the German Democratic Republic have been far too timid to take similar steps. And the economic and social, as well as the political and civil, rights of Romanian citizens have eroded.

Another goal we set ourselves in 1986 was to help write a Vienna Concluding Document that made the commitments of the Helsinki and Madrid documents more specific, as well as carrying them into new areas. This joint effort succeeded beyond all expectation.

Vienna our 35 countries took on specific commitments in such areas as freedom of movement, freedom of religion, rights of minorities, the fight against terrorism, rights of prisoners, rights of

citizens to monitor the human rights performance of their own governments, ensuring of free reception of foreign radio broadcasts and unhindered receipt of mail and telephone calls. In addition, there are numerous obligations designed to prevent the delay or denial of permission to travel abroad, including through the abuse of an applicant's once having had access to security information.

In sum, the Vienna Concluding Document is the most comprehensive statement of human rights commitments which has ever existed in the CSCE process or in the East-West framework in general. While we have no international police force to enforce it, would-be violators will not be able to abuse it without cost to their relations with other countries or to their image among free peoples.

While the Vienna meeting helped to improve human rights compliance and the overall climate of East-West relations, it also left much unfinished business. That's why I see Vienna not as an end, but as a beginning. In the area of military security, it marks the beginning of two major arms control negotiations. The follow-on negotiations on confidence- and security-building measures will extend the pioneering work of the Stockholm conference. The negotiation on conventional armed forces in Europe between the 23 members of NATO and the Warsaw Pact will be the most important Europe-wide arms control negotiation to be conducted over coming years.

In addition, in the next three years there will be nine CSCE meetings in Eastern, Western and neutral or non-aligned countries. Their subjects reflect the variety and richness of the CSCE process: information, economics, the environment, the Mediterranean, peaceful settlement of disputes, culture and—most important—human rights. The Vienna meeting has created a mechanism enabling any country to

raise any human rights issue with any other country at any time. This mechanism, coupled with human rights meetings in 1989 in Paris, 1990 in Copenhagen, and 1991 in Moscow, gives us a continuous process of human rights review.

For the first time, three of these meetings will be in communist countries: an environment meeting in Sofia, Bulgaria; a cultural forum in Krakow, Poland; and the third human rights meeting in Moscow. The Vienna document commits all host countries, including the Soviet Union, to provide access for foreign journalists, nongovernmental organizations and individuals; and to allow their own citizens unimpeded contact with delegates and visitors. Some may see the Moscow meeting as a potential victory for Soviet propaganda; I see it as a victory for Western values, since even the Soviet Union is prepared to build a meeting around them. And if the West is taking a risk in going to Moscow, so is President Gorbachev in opening his capital city to an objective review of the Soviet human rights record and to a visit from the entire CSCE human rights community.

As our 35 nations prepare to return to the source of the CSCE process—to Helsinki—in 1992, we must recognize that our job is only half done. Compliance has improved but is still inadequate—in many cases, seriously inadequate. The openness which was the hallmark of the Vienna meeting must be increased and expanded. And our countries must turn with renewed intensity to the destruction of the barriers which have divided Europe since World War II. The United States will continue to play an active and constructive role in that great objective of the CSCE process: to make Europe whole.

WARREN ZIMMERMANN
Chairman
U.S. Delegation
to the Vienna CSCE
Follow-Up Meeting

doms, in all their aspects, as embodied in the Final Act, held in Ottawa from 7 May to 17 June 1985. They welcomed the fact that frank discussions had taken place of matters of key concern. Noting that these discussions had not led to agreed conclusions, they agreed that such thorough exchanges of views themselves constitute a valuable contribution to the CSCE process. In this respect it was noted in particular that proposals made at the meeting had received further consideration at the Vienna Follow-up Meeting. They also welcomed the decision to allow public access to part of the meeting and noted that this principle was further developed at later meetings.

Confidence- and Security-Building Measures and Certain Aspects of Security and Disarmament in Europe

Stockholm Conference: Assessment of Progress Achieved

The participating States,

In accordance with the relevant provisions of the Madrid Concluding Document, assessed progress achieved during the Conference on Confidence- and Security-Building Measures and Disarmament in Europe, which met in Stockholm from 17 January 1984 to 19 September 1986.

They welcomed the adoption at Stockholm of a set of mutually complementary confidence- and security-building measures (CSBMs).

They noted that these measures are in accordance with the criteria of the Madrid mandate and constitute a substantial improvement and extension of the confidence-building measures adopted in the Final Act.

They noted that the adoption of the Stockholm Document was a politically significant achievement and that its measures are an important step in efforts aimed at reducing the risk of military confrontation in Europe. They agreed that the extent to which the measures will in practice contribute to greater confidence and security will depend on the record of implementation. They were encouraged by initial implementation and noted that further experience and detailed review will be required. They reaffirmed their determination to comply strictly with and apply in good faith all the provisions of the Document of the Stockholm Conference.

They reaffirmed their commitment to the provisions of the Madrid Concluding Document relating to the Conference on

Confidence- and Security-Building Measures and Disarmament in Europe and agreed to resume the work of the Conference with a view to achieving further progress towards its aim.

New Efforts for Security and Disarmament in Europe

The participating States,

Recalling the relevant provisions of the Final Act and of the Madrid Concluding Document according to which they recognize the interest of all of them in efforts aimed at lessening military confrontation and promoting disarmament,

Reaffirming their determination expressed in the Final Act to strengthen confidence among them and thus to contribute to increasing stability and security in Europe,

Stressing the complementary nature of the efforts within the framework of the CSCE process aimed at building confidence and security and establishing stability and achieving progress in disarmament, in order to lessen military confrontation and to enhance security for all,

Stressing that in undertaking such efforts they will respect the security interests of all CSCE participating States inherent in their sovereign equality,

Having also considered ways and appropriate means to continue their efforts for security and disarmament in Europe,

Have reached the understanding that these efforts should be structured as set forth below:

NEGOTIATIONS ON CONFIDENCE- AND SECURITY-BUILDING MEASURES

The participating States have agreed that Negotiations on Confidence- and Security-Building Measures will take place in order to build upon and expand the results already achieved at the Stockholm Conference with the aim of elaborating and adopting a new set of mutually complementary confidence- and security-building measures designed to reduce the risk of military confrontation in Europe. These negotiations will take place in accordance with the Madrid mandate. The decisions of the Preparatory Meeting held in Helsinki from 25 October to 11 November 1983 will be applied, *mutatis mutandis*, (see Annex II).

These negotiations will take place in Vienna, commencing the week beginning on 6 March 1989.

The next Follow-up Meeting of the participating States of the CSCE, to be held in Helsinki, commencing on 24 March 1992, will assess the progress achieved in these negotiations.

NEGOTIATION ON CONVENTIONAL ARMED FORCES IN EUROPE

The Negotiation on Conventional Armed Forces in Europe will take place as agreed by those States named in the mandate contained in the Chairman's statement in Annex III of this document, who among themselves have determined the agenda, the rules of procedure and the organizational modalities of these negotiations, which will determine their timetable and results. These negotiations will be conducted within the framework of the CSCE process.

These negotiations will take place in Vienna, commencing in the week beginning on 6 March 1989.

The next Follow-up Meeting of the participating States of the CSCE, to be held in Helsinki, commencing on 24 March 1992, will exchange views on the progress achieved in these negotiations.

MEETINGS IN ORDER TO EXCHANGE VIEWS AND INFORMATION CONCERNING THE COURSE OF THE NEGOTIATION ON CONVENTIONAL ARMED FORCES IN EUROPE

It has been agreed that the participating States will hold meetings in order to exchange views and information concerning the course of the Negotiation on Conventional Armed Forces in Europe.

These meetings will be held at least twice during each session of the Negotiation on Conventional Armed Forces in Europe.

Provisions on practical modalities relating to these meetings are contained in Annex IV of this Document.

At these meetings, substantive information will be provided by the participants in the Negotiation on Conventional Armed Forces in Europe on developments, progress and results in the negotiations with the aim of enabling each participating State to appraise their course.

The participants in these negotiations have undertaken to take into consideration, in the course of their negotiation, the views expressed at such meetings by other participating States concerning their own security.

Information will also be provided on a bilateral basis.

The next Follow-up Meeting of the participating States of the CSCE, to be held in Helsinki, commencing on 24 March 1989, will consider the functioning of these arrangements.

Taking into account the relevant provisions of the Final Act and of the Madrid Concluding Document, and having considered the results achieved in the two negotiations, and also in the light of other relevant negotiations on security and confidence-

ament affecting Europe, a future CSCE follow-up meeting will consider ways and appropriate means for the participating States to continue their efforts for security and disarmament in Europe, including the question of supplementing the Madrid mandate for the next stage of the Conference on Confidence- and Security-Building Measures and Disarmament in Europe.

Co-operation in the Field of Economics, of Science and Technology and of the Environment

The participating States reaffirm their willingness to further their co-operation in the fields of economics, of science and technology and of the environment, and to promote stable and equitable international economic relations in the interest of all States. They express their readiness to intensify the dialogue in the competent fora with a view to facilitating appropriate solutions for key interrelated economic issues such as money, finance, debt and trade. In this connection they stress the importance of policies aimed at promoting structural adjustments, stimulating the growth of national economies and creating an international economic environment conducive to development.

The participating States recognize the important role of the United Nations Economic Commission for Europe (ECE) in fostering regional economic co-operation and in contributing to the implementation of the provisions of the Final Act and subsequent CSCE documents. They express their readiness to make further use of the existing framework, resources and experience of the ECE in areas which are of significance for the implementation of recommendations of the CSCE.

Trade and Industrial Cooperation

In order to make better use of their economic potential, and to foster the extension of their commercial exchanges, the participating States will make further efforts to promote favourable conditions for trade and industrial co-operation, taking into account all the relevant provisions of the Final Act and the Madrid Concluding Document.

2. The participating States recognize the importance of favourable business conditions for the development of trade between them. They will facilitate direct contacts between business people, potential buyers and end-users, including on-site contacts relevant to the business intended being transacted. They will take measures to improve working conditions for business people regarding, among other things, accreditation, accommodation, communications and recruitment and management of personnel. They will also take

measures to avoid unjustifiable delays in visa procedures and customs clearance. Further, they recognize the opportunities offered by trade fairs and exhibitions for developing commercial contacts and achieving concrete business results.

3. The participating States will continue their efforts further to reduce or progressively eliminate obstacles of all kinds to trade, thus contributing to the expansion and diversification of their commercial relations. They express their support for the work done in this field in appropriate international fora.

4. The participating States will encourage forms of trade compatible with the efficient conduct of international business relations and will also encourage business partners to decide independently upon their trading patterns. As to compensation transactions in all their forms, they recommend that proposals of this kind be addressed at the beginning of negotiations and, when agreed upon, dealt with in a flexible way, especially regarding the choice of products. In this connection the special concerns of small and medium-sized enterprises should be taken into account. The participating States recognize the valuable role of the ECE in dealing with questions related to compensation transactions.

5. The participating States recognize that, within their respective economies, increased autonomy for enterprises can help achieve a better response to market needs and thus contribute to the development of trade and co-operation among them.

6. In order to facilitate the identification of market opportunities, the participating States will further promote the publication and availability of comprehensive, comparable and timely economic and commercial information. They will publish up-to-date macroeconomic information and statistics, and envisage making balance of payments figures available. They will also provide the United Nations trade databank, COMTRADE, with detailed data in a format relevant to the efficient conduct of foreign trade. They will encourage co-operation between their statistical services and within the framework of the ECE in order, *inter alia*, to facilitate the identification of disparities in foreign trade statistics and to improve the international comparability of such statistics. Furthermore, they consider it useful to increase the publication and exchange of statistics on such topics as demography, public health, agriculture, the environment and energy.

7. Noting the growing importance of services in their mutual economic relations, the participating States will examine, in appropriate bodies, developments in this area and prospects for improved access to the services' market.

8. Affirming the importance of industrial co-operation in their long-term economic relations, the participating States will promote measures designed to create favourable conditions for the development of such co-operation. They will therefore

examine, within the competent fora, the improvement of the legal, administrative and economic framework for industrial co-operation. Furthermore, they will exchange contacts between potential partners, develop exchanges of appropriate information and promote the participation of small and medium-sized enterprises in industrial co-operation.

9. The participating States recognize that productive, competitive and profit-earning joint ventures can play a role in mutually beneficial industrial co-operation. They will improve the legal, administrative and financial conditions for investment in, and operation of, joint ventures. They will also promote the exchange of all information relevant to the establishment of joint ventures, including all necessary technical information, as well as information on management, labour conditions, accounting and taxation, repatriation of profits and the protection of investments, production conditions and access to domestic supplies and markets.

10. The participating States stress the importance of their standardization policies and practices, and of related activities for the facilitation of international trade, especially regarding products subject to compulsory certification. Accordingly, they will consider mutual recognition of their national testing and certification procedures and practices, and promote co-operation among relevant national bodies and within international organizations including the ECE.

11. The participating States recognize the growing importance of effective marketing in the development of trade and industrial co-operation, in the production and promotion of new products and in meeting the needs of the consumer. Given the growth of marketing opportunities, they will seek to improve the conditions for firms and organizations engaging in research into domestic or foreign markets and in other marketing activities.

12. The participating States affirm the usefulness for all enterprises, and especially for small and medium-sized ones, of flexible and mutually agreed arbitration provisions for ensuring the equitable settlement of disputes in international trade and industrial co-operation. Bearing in mind the relevant provisions of the Final Act and the Madrid Concluding Document they attach particular importance to freedom in the choice of arbitrators, including the presiding arbitrator, and of the country of arbitration. They recommend that consideration be given to the adoption of the Model Law on international commercial arbitration of the United Nations Commission on International Trade Law (UNCITRAL). In addition, they recognize the value of agreements on co-operation in the field of commercial arbitration between Chambers of Commerce and other arbitration bodies.

13. The participating States agree to convene a Conference on Economic Co-operation in Europe. This Conference will take place in Bonn from 19 March to 11 April 1990. The aim of the Conference is to provide new impulses for economic relations between participating States, in particular by improving business conditions for commercial exchanges and industrial co-operation, and by considering new possibilities for, and ways of, economic co-operation. The Conference will be attended by representatives of the participating States and of the business community. The agenda, timetable and other organizational modalities are set out in Annex V. The next Follow-up Meeting, to be held in Helsinki, commencing on 24 March 1992, will assess the results achieved at the Conference.

Science and Technology

14. The participating States emphasize the important role of science and technology in their overall economic and social development, bearing in mind particularly those sciences and technologies which are of direct relevance to improving the quality of life.

15. Recognizing the importance of scientific and technological co-operation, the participating States will develop further mutually advantageous co-operation in the fields already set forth in the Final Act, and will examine possibilities for co-operation in new areas of growing importance and common interest. Furthermore, they express their intention to improve conditions for such co-operation by fostering the exchange of information on, and experience with, scientific and technological achievements, having in mind especially the interests of the countries of the region which are developing from the economic point of view.

16. The participating States also reaffirm the role of general intergovernmental agreements as well as of bilateral agreements involving universities, scientific and technological institutions and industry, in developing mutually beneficial exchanges. Underlining the importance of freedom of communication and exchange of views for progress in science and technology, they will promote and support direct and individual contacts between scientists, specialists and interested business people. Recalling the conclusions reached at the Hamburg Scientific Forum, they will respect human rights and fundamental freedoms, which represent one of the foundations for a significant improvement in international scientific co-operation at all levels. They will also endeavour to create conditions enabling interested partners to develop appropriate joint research programmes and projects on the basis of reciprocity and mutual advantage and, when appropriate, on a commercial basis.

17. Given the depletion of natural resources, including non-renewable sources of energy, the participating States will promote co-operation in the rational use of such resources, and in the use of alternative sources of energy, including thermonuclear fusion.

18. Taking note of the progress made in, and the new opportunities offered by, research and development in biotechnology, the participating States consider it desirable to enhance the exchange of information on laws and regulations relating to the safety aspects of genetic engineering. They will therefore facilitate consultation and exchange of information on safety guidelines. In this context they emphasize the importance of ethical principles when dealing with genetic engineering and its application.

19. The participating States will develop their co-operation in medical and related sciences by intensifying research and the exchange of information on drug abuse and on new or increasingly wide-spread diseases. They will co-operate in particular in combating the spread of AIDS (acquired immune deficiency syndrome), taking into account the global AIDS Strategy of the World Health Organization (WHO). They will also co-operate in research concerning the long-term consequences of radiation.

20. The participating States recognize the importance of scientific research, of environmentally sound technologies and, in particular, of improved international co-operation in these fields, for the monitoring, prevention and reduction of pollution. They will therefore promote, *inter alia*, within the relevant international fora, exchange of information on, and experience with, these technologies. In this respect they will also promote, on a commercial basis, exchanges in the fields of pollution-abatement technologies, technologies and products with less or no emission of ozone-depleting substances, processing and combustion techniques, new methods of waste treatment, including recycling and disposal, and low- and non-waste technologies.

21. The participating States will exchange appropriate information in specific fields of engineering industries and automation. They will do this on the basis of mutual advantage for potential partners, who will decide independently on the areas of co-operation and with due respect for bilateral and multilateral agreements. To this end they will, *inter alia*, develop statistics in fields of engineering industries of commercial importance.

22. In the context of their scientific and technological co-operation, the participating States will consider the possibility of encouraging the development and use of alternatives to animal experimentation, including for product testing.

23. In the important field of nuclear energy, the participating States recognize that, while individual States should assume full responsibility for the safety of their

own nuclear facilities, nuclear safety requires closer international co-operation, especially within the International Atomic Energy Agency (IAEA). They note that it is essential to maintain the highest possible safety standards in the management and operation of nuclear facilities. They therefore support the work done within IAEA in developing basic safety principles and urge all States to use the revised Nuclear Safety Standards—NUSS codes—as a basis for regulating nuclear safety practices. They also recall the need further to improve the efficiency of the existing system of nuclear liability.

Environment

24. Recognizing the need for preventive action, the participating States will strengthen their co-operation and intensify efforts aimed at protecting and improving the environment, bearing in mind the need to maintain and restore the ecological balance in air, water and soil. They will do this by, *inter alia*, developing their internal legislation and international commitments, and by applying the best available means, taking into account levels of development as well as economic and technical constraints. They underline the importance of the Regional Strategy for Environmental Protection and Rational Use of Natural Resources in ECE Member Countries Covering the Period up to the Year 2000 and Beyond. They welcome, and will take due account of, the report of the World Commission on Environment and Development to the Year 2000 and Beyond, as well as the work already undertaken within the competent international fora, in particular within the framework of the 1979 Convention on Long-Range Transboundary Air Pollution (hereafter called "the Convention").

25. The participating States are convinced of the need for timely and effective reductions of sulphur emissions or their transboundary fluxes. They call upon contracting parties and signatories to the Convention to become parties to the Protocol on the reduction of sulphur emissions or their transboundary fluxes by at least 30 per cent. They recommend that further steps to reduce sulphur emissions, in line with the objectives of the Protocol, be taken by those States which are not parties to the Protocol, and that those States where this goal is already accomplished continue to control their emissions. Recognizing that the said Protocol provides for reductions of sulphur emissions at the latest by 1993, they will work within the framework of the convention for the elaboration at an early date of an arrangement for further reductions of sulphur emissions beyond the level established by the Protocol.

26. The participating States consider that control and reduction of nitrogen oxide emissions, or their transboundary

axes, deserve high priority in their pollution abatement programmes. They welcome the elaboration and adoption of a protocol on control of nitrogen oxide emissions.

27. Furthermore, they recognize the need to develop, within the framework of the Convention, arrangements to reduce emissions of other relevant air pollutants such as hydrocarbons and those producing photochemical oxidants. They will strengthen their co-operation accordingly, including by collecting and processing the necessary information.

28. The participating States agree to strengthen and develop the Cooperative Programme for the Monitoring and Evaluation of the Long-Range Transmission of Air Pollutants in Europe (EMEP), *inter alia*, through extending and improving the system of monitoring stations, providing EMEP with the necessary information regarding emissions of pollutants, further developing comparable methods of measurement and expanding coverage to include other relevant air pollutants, in particular nitrogen oxides, hydrocarbons and photochemical oxidants. They also recommend that those countries which have not yet done so should become parties to the Protocol on the Long-Term Financing of EMEP.

29. The participating States will make every effort to become parties, as soon as possible, to the Vienna Convention for the Protection of the Ozone Layer and to the Montreal Protocol on Substances that Deplete the Ozone Layer. Further, they will intensify national action and international co-operation on the control and reduction of the emission of ozone-depleting substances.

30. The participating States agree that their national and international research efforts should be made regarding the global warming phenomenon, and the role played therein by emissions of carbon dioxide and other greenhouse gases in order to provide a scientific basis for mitigative action.

31. In order to protect and improve freshwater resources and to reduce significantly the pollution of seas and coastal areas, transboundary watercourses and international lakes from all sources of pollution, the participating States will develop and intensify national efforts as well as bilateral and multilateral co-operation. They recommend the elaboration of a framework convention or specific conventions to improve the protection of transboundary watercourses and international lakes. They will reduce significantly discharges of toxic, persistent and potentially hazardous substances. Furthermore, they will devote special attention to the development of appropriate alternatives to sea disposal in order to decrease progressively and substantially the dumping of harmful wastes and the incineration of noxious liquid wastes at sea, with a view to the early elimination of such methods.

32. The participating States recognize the need to improve international co-operation on the transboundary movement of hazardous wastes. Taking into account the valuable work done in other international fora, they will encourage the elaboration of international agreements, including a global convention on the control of transboundary movements of hazardous wastes.

33. The participating States will seek closer co-operation and greater exchange of information on the problems associated with potentially hazardous chemicals, including assessment of the risks to health and the environment. They will explore possibilities for closer harmonization of their legislation and regulations on the handling of these chemicals.

34. The participating States will strengthen international co-operation on natural resources and flora and fauna. They will promote early accession to, and effective implementation of, relevant agreements. They will also develop further effective measures to combat soil degradation and to protect flora, fauna and their habitats on the basis of the Declaration on this subject adopted by the ECE. They will intensify their exchanges of views and experience on ways and means of achieving a more rational use of natural resources.

35. The participating States acknowledge the importance of the contribution of persons and organizations dedicated to the protection and improvement of the environment, and will allow them to express their concerns. They will promote greater public awareness and understanding of environmental issues and will co-operate in the field of environmental education, *inter alia*, through exchanges of experience and results of research studies, development of educational programmes and ecological training.

36. The participating States will co-operate bilaterally and multilaterally with a view to improving and co-ordinating their arrangements for prevention, early warning, exchange of information and mutual assistance in cases of industrial accidents likely to cause transboundary damage to the environment. They will also initiate the examination of key elements related to the transboundary character of industrial accidents, such as clean up, restoration and liability.

37. The participating States agree to convene a Meeting on the protection of the environment. This Meeting will take place in Sofia from 16 October to 3 November 1989. The aim of the Meeting is to elaborate recommendations on principles and guidelines for further measures and co-operation in new and important areas of environmental protection. The agenda, timetable and other organizational modalities are set out in Annex VI. The next Follow-up Meeting, to be held in Helsinki, commencing on 24 March 1992, will assess the results achieved at the meeting.

Co-operation in Other Areas

38. The participating States recognize the important role of transport in economic and social development and the overall consequences of increased activity in the transport sector, including problems related to the environment. They will therefore encourage the elaboration of measures for achieving an economically more efficient transport system, taking into account the relative merits of different modes of transport and their potential effects on human health, safety and the environment. In this connection they will, through bilateral and multilateral means, give particular attention to questions concerning multimodal transport networks, combined transport, transit flows and the simplification of transport formalities and, in particular, of transport documents. They also welcome the work done by the ECE in this context.

39. The participating States underline the economic importance of tourism and its contribution to the mutual understanding of peoples. They therefore favour the development of co-operation in this field and will facilitate normal contacts between tourists and the local population. To this end they will endeavour to improve the infrastructure for tourism, *inter alia*, by diversifying accommodation and by developing facilities for low-budget and youth tourism, including small-scale private accommodation. They will also consider in a positive spirit the progressive phasing out for foreign tourists of minimum exchange requirements where they apply, allow the reconversion of legally acquired local currency and, furthermore, encourage non-discriminatory pricing for all foreign tourists irrespective of their nationality. They will also reduce arrival and departure procedures to the necessary minimum. The participating States will create conditions conducive to the establishment of joint projects in the field of tourism, including joint ventures and personnel training programmes.

40. The participating States emphasize the need for effective implementation of the provisions of the Final Act and the Madrid Concluding Document relating to migrant workers and their families in Europe. They invite host countries and countries of origin to make efforts to improve further the economic, social, cultural and other conditions of life for migrant workers and their families legally residing in the host countries. They recommend that host countries and countries of origin should promote their bilateral co-operation in relevant fields with a view to facilitating the reintegration of migrant workers and their families returning to their country of origin.

41. The participating States will, in accordance with their relevant commitments undertaken in the Final Act and the Madrid Concluding Document, consider favourably applications for family reunification as well as family contacts and visits involving migrant workers from other participating States legally residing in the host countries.

42. The participating States will ensure that migrant workers from other participating States and their families can freely enjoy and maintain their national culture and have access to the culture of the host country.

43. Aiming at ensuring effective equality of opportunity between the children of migrant workers and the children of their own nationals regarding access to all forms and levels of education, the participating States affirm their readiness to take measures needed for the better use and improvement of educational opportunities. Furthermore, they will encourage or facilitate, where reasonable demand exists, supplementary teaching in their mother tongue for the children of migrant workers.

44. The participating States recognize that issues of migrant workers have their human dimension.

45. The participating States acknowledge that the impact of economic and technological change is being acutely felt in the work place. They underline their readiness to encourage co-operation in the field of vocational training policy through increased exchange of information and experience, with the aim of enhancing the educational standards, professional knowledge, skills and adaptability of personnel involved in industry and commerce.

46. The participating States recognize the importance of facilitating the integration of young people into professional life. They will therefore continue their efforts to ensure the necessary conditions for the education and vocational training of young people and to promote youth employment opportunities in various sectors of the economy. They will continue their efforts to create conditions for developing the level of scientific and cultural knowledge of their citizens, especially young people, and for facilitating their access to achievements in the areas of natural and social sciences, as well as culture.

Questions Relating to Security and Co-operation in the Mediterranean

The participating States reaffirm their commitment to, and stress the continuing relevance of, the provisions of the Final Act and the Madrid Concluding Document concerning security and cooperation in the Mediterranean; in this context, they underline the relevance of the Mediterranean paragraph of the Stockholm Document.

They stress the importance of the CSCE process for increasing security and improving cooperation in the Mediterranean area.

They reiterate their conviction that security in Europe is to be considered in the broader context of world security and is closely linked with security in the Mediterranean area as a whole, and that accordingly the process of improving security should not be confined to Europe but should extend to other parts of the world, and in particular to the Mediterranean area.

They express their concern over the continuing tensions in the region and renew their willingness to intensify efforts towards finding just, viable and lasting solutions, through peaceful means, to outstanding crucial problems.

They consider that broader and more active cooperation could contribute to increased mutual understanding and enhanced confidence, thereby promoting stability, security and peace in the region.

They note the results of existing bilateral and multilateral forms of co-operation and express their readiness to increase efforts in the economic, scientific and cultural fields, and in the field of environment, taking due account of the interests of the developing countries in the region, and taking into consideration the work underway in these fields.

They note with satisfaction the positive outcome of the Seminar on economic, scientific and cultural cooperation in the Mediterranean within the framework of the results of the Valletta Meeting of 1979, held in Venice from 16 to 26 October 1984 in accordance with the relevant provisions and objectives of the Madrid Concluding Document. They welcome the concrete contribution of this Seminar to the development of cooperation in the Mediterranean area and they support continued efforts to implement its recommendations as well as those of the Valletta Meeting.

They note the continuing interest of the non-participating Mediterranean States in the CSCE and in efforts with the participating States in strengthening security and promoting co-operation in the Mediterranean. They recognize to this end the need to maintain and amplify their contacts with the non-participating Mediterranean States as initiated by the CSCE and to develop good neighbourly relations with all of them, with due regard to reciprocity and in the spirit of the principles contained in the Declaration on Principles guiding relations between participating States of the Final Act.

The participating States, in conformity with the provisions of the Mediterranean chapters of the Final Act and the Madrid Concluding Document, agree to convene a Meeting on the Mediterranean in order to consider ways and means of further enhancing various aspects of co-operation, including the protection and improvement of Mediterranean ecosystems, with the aim of widening the scope of their co-operation

with the non-participating Mediterranean States and contributing to the strengthening of confidence and security in the region.

Representatives of the non-participating Mediterranean States (Algeria, Egypt, Israel, Lebanon, Libya, Morocco, Syria and Tunisia) and representatives of the competent international organizations (UNESCO, ECE, UNEP, WHO, ITU, IMO) will be invited to this meeting in accordance with the rules and practices adopted for the previous CSCE Mediterranean follow-up events.

The Meeting will be held in Palma de Mallorca from 24 September to 19 October 1990. The agenda, timetable and other organizational modalities are set out in Annex VII.

The next Follow-up Meeting, to be held in Helsinki, commencing on 24 March 1991 will assess the results achieved at this Meeting.

Co-operation in Humanitarian and Other Fields

The participating States,

Considering that co-operation in humanitarian and other fields is an essential factor for the development of their relations,

Agreeing that their co-operation in these fields should take place in full respect for the principles guiding relations between participating States as set forth in the Final Act as well as for the provisions in the Madrid Concluding Document and the present Document pertaining to the principles,

Confirming that, in implementing the provisions concerning co-operation in humanitarian and other fields in the framework of their laws and regulations, they will ensure that those laws and regulations conform with their obligations under international law and are brought into harmony with their CSCE commitments,

Recognizing that the implementation of the relevant provisions of the Final Act and of the Madrid Concluding Document requires continuous and intensified efforts,

Have adopted and will implement the following:

Human Contacts

1. In implementing the human contacts provisions of the Final Act, the Madrid Concluding Document and the present Document, they will fully respect their obligations under international law as referred to in the subchapter of the present Document devoted to principles, in particular that everyone shall be free to leave any country including his own, and to return to his country, as well as their international commitments in this field.

2. They will ensure that their policies concerning entry into their territories are fully consistent with the aims set out in the relevant provisions of the Final Act, the Madrid Concluding Document and the present Document.

3. They will take the necessary steps to find solutions as expeditiously as possible, but in any case within six months, to all applications based on the human contacts provisions of the Final Act and the Madrid Concluding Document, outstanding at the conclusion of the Vienna Follow-up Meeting.

4. Thereafter they will conduct regular reviews in order to ensure that all applications based on the human contacts provisions of the Final Act and of the other forementioned CSCE documents are being dealt with in a manner consistent with those provisions.

5. They will decide upon applications relating to family meetings in accordance with the Final Act and the other aforementioned CSCE documents in as short a time as possible and in normal practice within one month.

6. In the same manner they will decide upon applications relating to family reunification or marriage between citizens of different States, in normal practice within three months.

7. In dealing favourably with applications relating to family meetings, they will take due account of the wishes of the applicant, in particular on the timing and sufficiently long duration of such meetings, and of travelling together with other members of his family for joint family meetings.

8. In dealing favourably with applications relating to family meetings, they will so allow visits to and from more distant relatives.

9. In dealing favourably with applications relating to family reunification or marriage between citizens of different States, they will respect the wishes of the applicants on the country of destination ready to accept them.

10. They will pay particular attention to the solution of problems involving the reunification of minor children with their parents. In this context and on the basis of the relevant provisions of the Final Act and of the other aforementioned CSCE documents, they will ensure

- that an application for this purpose submitted while the child is a minor will be dealt with favourably and expeditiously in order to effect the reunification without delay; and
- that adequate arrangements are made to protect the interests and welfare of the children concerned.

11. They will consider the scope for gradually reducing and eventually eliminating any requirement which might exist for travellers to obtain local currency in excess of actual expenditure, giving priority to

persons travelling for the purpose of family meetings. They will accord such persons the opportunity in practice to bring in or to take out with them personal possessions or gifts.

12. They will pay immediate attention to applications for travel of an urgent humanitarian nature and deal with them favourably as follows:

- They will decide within three working days upon applications relating to visits to a seriously ill or dying family member, travel to attend the funeral of a family member or travel by those who have a proven need of urgent medical treatment or who can be shown to be critically or terminally ill.

- They will decide as expeditiously as possible upon applications relating to travel by those who are seriously ill or by the elderly, and other travel of an urgent humanitarian nature.

- They will intensify efforts by their local, regional and central authorities concerned with the implementation of the above, and ensure that charges for giving priority treatment to such applications do not exceed costs actually incurred.

13. In dealing with applications for travel for family meetings, family reunification or marriage between citizens of different States, they will ensure that acts or omissions by members of the applicant's family do not adversely affect the rights of the applicant as set forth in the relevant international instruments.

14. They will ensure that all documents necessary for applications based on the human contacts provisions of the Final Act and of the other aforementioned CSCE documents are easily accessible to the applicant. The documents will remain valid throughout the application procedure. In the event of a renewed application the documents already submitted by the applicant in connection with previous applications will be taken into consideration.

15. They will simplify practices and gradually reduce administrative requirements for applications based on the human contacts provisions of the Final Act and of the other aforementioned CSCE documents.

16. They will ensure that, when applications based on the human contacts provisions of the Final Act and of the other aforementioned CSCE documents are refused for reasons specified in the relevant international instruments, the applicant is promptly provided in writing with an official notification of the grounds on which the decision was based. As a rule and in all cases where the applicant so requests, he will be given the necessary information about the procedure for making use of any effective administrative or judicial remedies against the decision available to him as envisaged in the afore-mentioned international instruments. In cases where exit for permanent settlement abroad is in-

volved, this information will be provided as part of the official notification foreseen above.

17. If in this context an individual's application for travel abroad has been refused for reasons of national security, they will ensure that, within strictly warranted time limits, any restriction on that individual's travel is as short as possible and is not applied in an arbitrary manner. They will also ensure that the applicant can have the refusal reviewed within six months and, should the need arise, at regular intervals thereafter so that any changes in the circumstances surrounding the refusal, such as the time elapsed since the applicant was last engaged in work or duties involving national security, are taken into account. Before individuals take up such work or duties they will be formally notified if and how this could affect applications they might submit for such travel.

18. Within one year of the conclusion of the Vienna Follow-up Meeting they will publish and make easily accessible, where this has not already been done, all their laws and statutory regulations concerning movement by individuals within their territory and travel between States.

19. In dealing favourably with applications based on the human contacts provisions of the Final Act and of the other aforementioned CSCE documents, they will ensure that these are dealt with in good time in order, *inter alia*, to take due account of important family, personal or professional considerations significant for the applicant.

20. They will deal favourably with applications for travel abroad without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth, age or other status. They will ensure that any refusal does not affect applications submitted by other persons.

21. They will further facilitate travel on an individual or collective basis for personal or professional reasons and for tourism, such as travel by delegations, groups and individuals. To this end they will reduce the time for the consideration of applications for such travel to a minimum.

22. They will give serious consideration to proposals for concluding agreements on the issuing of multiple entry visas and the reciprocal easing of visa processing formalities, and consider possibilities for the reciprocal abolition of entry visas on the basis of agreements between them.

23. They will consider adhering to the relevant multilateral instruments as well as concluding complementary or other bilateral agreements, if necessary, in order to improve arrangements for ensuring effective consular, legal and medical assistance for citizens of other participating States temporarily on their territory.

24. They will take any necessary measures to ensure that citizens of other participating States temporarily on their territory for personal or professional reasons, *inter alia*, for the purpose of participating in cultural, scientific and educational activities, are afforded appropriate personal safety, where this is not already the case.

25. They will facilitate and encourage the establishment and maintenance of direct personal contacts between their citizens as well as between representatives of their institutions and organizations through travel between States and other means of communication.

26. They will facilitate such contacts and co-operation among their peoples through such measures as direct sports exchanges on a local and regional level, the unimpeded establishment and implementation of town-twinning arrangements, as well as student and teacher exchanges.

27. They will encourage the further development of direct contacts between young people, as well as between governmental and non-governmental youth and student organizations and institutions; the conclusion between such organizations and institutions of bilateral and multilateral arrangements and programmes; and the holding on a bilateral and multilateral basis of educational, cultural and other events and activities by and for young people.

28. They will make further efforts to facilitate travel and tourism by young people, *inter alia*, by recommending to those of their railway authorities which are members of the International Union of Railways (UIC) that they expand the inter-rail system to cover all their European networks and by recommending to those of their railway authorities which are not members of the UIC that they consider establishing similar facilities.

29. In accordance with the Universal Postal Convention and the International Telecommunication Convention, they will

- guarantee the freedom of transit of postal communication;
- ensure the rapid and unhindered delivery of correspondence, including personal mail and parcels;
- respect the privacy and integrity of postal and telephone communications; and
- ensure the conditions necessary for rapid and uninterrupted telephone calls, including the use of international direct dialing systems, where they exist, and their development.

30. They will encourage direct personal contacts between the citizens of their States, *inter alia*, by facilitating individual travel within their countries and by allowing foreigners to meet their citizens as well as, when invited to do so, to stay in private homes.

31. They will ensure that the status of persons belonging to national minorities or regional cultures on their territories is equal to that of other citizens with regard

to human contacts under the Final Act and the other aforementioned CSCE documents and that these persons can establish and maintain such contacts through travel and other means of communication, including contacts with citizens of other States with whom they share a common national origin or cultural heritage.

32. They will allow believers, religious faiths and their representatives, in groups or on an individual basis, to establish and maintain direct personal contacts and communication with each other, in their own and other countries, *inter alia*, through travel, pilgrimages and participation in assemblies and other religious events. In this context and commensurate with such contacts and events, those concerned will be allowed to acquire, receive and carry with them religious publications and objects related to the practice of their religion or belief.

33. They heard accounts of the Meeting of Experts on Human Contacts held in Bern from 15 April to 26 May 1986. Noting that no conclusions had been agreed upon at the Meeting, they regarded both the frankness of the discussion and the greater degree of openness in the exchanges as welcome developments. In this respect they noted the particular importance of the fact that proposals made at the Meeting had received further consideration at the Vienna Follow-up Meeting.

Information

34. They will continue efforts to contribute to an ever wider knowledge and understanding of life in their States, thus promoting confidence between peoples.

They will make further efforts to facilitate the freer and wider dissemination of information of all kinds, to encourage co-operation in the field of information and to improve the working conditions for journalists.

In this connection and in accordance with the International Covenant on Civil and Political Rights, the Universal Declaration of Human Rights and their relevant international commitments concerning seeking, receiving and imparting information of all kinds, they will ensure that individuals can freely choose their sources of information. In this context they will

- ensure that radio services operating in accordance with the ITU Radio Regulations can be directly and normally received in their States; and
- allow individuals, institutions and organizations, while respecting intellectual property rights, including copyright, to obtain, possess, reproduce and distribute information material of all kinds.

To these ends they will remove any restrictions inconsistent with the above-mentioned obligations and commitments.

35. They will take every opportunity offered by modern means of communication, including cable and satellites, to increase the freer and wider dissemination of information of all kinds. They will also encourage co-operation and exchanges between their relevant institutions, organizations and technical experts, and work towards the harmonization of technical standards and norms. They will bear in mind the effects of these modern means of communication on their mass media.

36. They will ensure in practice that official information bulletins can be free distributed on their territory by the diplomatic and other official missions and consular posts of the other participating States.

37. They will encourage radio and television organizations, on the basis of arrangements between them, to broadcast live, especially in the organizing countries programmes and discussions with participants from different States and to broadcast statements of and interviews with political and other personalities from the participating States.

38. They will encourage radio and television organizations to report on different aspects of life in other participating States and to increase the number of telebridges between their countries.

39. Recalling that the legitimate pursuit of journalists' professional activity neither render them liable to expulsion otherwise penalize them, they will refrain from taking restrictive measures such as withdrawing a journalist's accreditation expelling him because of the content of reporting of the journalist or of his information media.

40. They will ensure that, in pursuing this activity, journalists, including those representing media from other participating States, are free to seek access to and maintain contacts with public and private sources of information and that their need for professional confidentiality is respected.

41. They will respect the copyright of journalists.

42. On the basis of arrangements between them, where necessary, and for the purpose of regular reporting, they will grant accreditation, where it is required and multiple entry visas to journalists from other participating States, regard of their domicile. On this basis they will reduce to a maximum of two months the period for issuing both accreditation and multiple entry visas to journalists.

43. They will facilitate the work of foreign journalists by providing relevant information, on request, on matters of practical concern, such as import regulations, taxation and accommodation.

44. They will ensure that official press conferences and, as appropriate, other official press events are also open to foreign journalists, upon accreditation, where this is required.

45. They will ensure in practice that persons belonging to national minorities or regional cultures on their territories can disseminate, have access to and exchange information in their mother tongue.

46. They agree to convene an Information Forum to discuss improvement of the circulation of, access to and exchange of information; co-operation in the field of information; and the improvement of working conditions for journalists. The Forum will be held in London from 18 April to 12 May 1989. It will be attended by personalities from the participating States in the field of information. The agenda, timetable and other organizational modalities are set out in Annex VIII.

Co-operation and Exchanges in the Field of Culture

47. They will promote and give full effect to their cultural co-operation, *inter alia*, through the implementation of any relevant bilateral and multilateral agreements concluded among them in the various fields of culture.

48. They will encourage non-governmental organizations interested in the field of culture, to participate, together with state institutions, in the elaboration and implementation of these agreements and specific projects, as well as in the elaboration of practical measures concerning cultural exchanges and co-operation.

49. They will favour the establishment, by mutual agreement, of cultural institutes or centres of other participating States on their territory. Unhindered access by the public to such institutes or centres as well as their normal functioning will be ensured.

50. They will assure unhindered access by the public to cultural events organized in their territory by persons or institutions from other participating States and assure that the organizers can use all means available in the host country to publicize such events.

51. They will facilitate and encourage direct personal contacts in the field of culture, on both an individual and a collective basis, as well as contacts between cultural institutions, associations of creative and performing artists and other organizations in order to increase the opportunities for their citizens to acquaint themselves directly with the creative work in and from other participating States.

52. They will ensure the unimpeded circulation of works of art and other cultural objects, subject only to those restrictions which are aimed at preserving their cultural heritage, are based on respect for intellectual and artistic property rights or derive from their international commitments on the circulation of cultural property.

53. They will encourage co-operation between and joint artistic endeavours of persons from different participating States who are engaged in cultural activities; as appropriate, facilitate specific initiatives to this end by such persons, institutions and organizations and encourage the participation of young people in such initiatives. In this context they will encourage meetings and symposia, exhibitions, festivals and tours by ensembles or companies, and research and training programmes in which persons from the other participating States may also freely take part and make their contribution.

54. The replacement of persons or groups invited to participate in a cultural activity will be exceptional and subject to prior agreement by the inviting party.

55. They will encourage the holding of film weeks including, as appropriate, meetings of artists and experts as well as lectures on cinematographic art; facilitate and encourage direct contacts between film directors and producers with a view to co-producing films; and encourage co-operation in the protection of film material and the exchange of technical information and publications about the cinema.

56. They will explore the scope for computerizing bibliographies and catalogues of cultural works and productions in a standard form and disseminating them.

57. They will encourage museums and art galleries to develop direct contacts, *inter alia*, with a view to organizing exhibitions, including loans of works of art, and exchanging catalogues.

58. They will renew their efforts to give effect to the provisions of the Final Act and the Madrid Concluding Document relating to less widely spoken languages. They will also encourage initiatives aimed at increasing the number of translations of literature from and into these languages and improving their quality, in particular by the holding of workshops involving translators, authors and publishers, by the publication of dictionaries and, where appropriate, by the exchange of translators through scholarships.

59. They will ensure that persons belonging to national minorities or regional cultures on their territories can maintain and develop their own culture in all its aspects, including language, literature and religion; and that they can preserve their cultural and historical monuments and objects.

60. They heard accounts of the work done and the ideas advanced during the Cultural Forum held in Budapest from 15 October to 25 November 1985. Noting that no conclusions had been agreed upon at the Forum, they welcomed the fact that many of the useful ideas and proposals put forward there had received renewed consideration at the Vienna Follow-up Meeting and that institutions and organizations in the participating States have based many activities on these ideas. They expressed

their appreciation of the significant contributions made to the event by leading personalities in the field of culture, and noted, in the light of the experience gained, the importance of securing, both inside and outside future meetings of this nature, arrangements which would permit a freer and more spontaneous discussion.

61. Taking duly into account the originality and diversity of their respective cultures, they will encourage efforts to explore common features and to foster greater awareness of their cultural heritage. Accordingly they will encourage initiatives which may contribute to a better knowledge of the cultural heritage of the other participating States in all its forms, including regional aspects and folk art.

62. They agree to convene a Symposium on the Cultural Heritage of the CSCE participating States. The Symposium will take place in Cracow from 28 May to 7 June 1991. It will be attended by scholars and other personalities from the participating States who are engaged in cultural activities. The agenda, a timetable and other organizational modalities are set out in Annex IX.

Co-operation and Exchanges in the Field of Education

63. They will ensure access by all to the various types and levels of education without discrimination as to race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.

64. In order to encourage wider co-operation in science and education, they will facilitate unimpeded communication between universities and other institutions of higher education and research. They will also facilitate direct personal contacts, including contacts through travel, between scholars, scientists and other persons active in these fields.

65. They will also ensure unimpeded access by scholars, teachers and students from the other participating States to open information material available in public archives, libraries, research institutes and similar bodies.

66. They will facilitate exchanges of school children between their countries on the basis of bilateral arrangements, where necessary, including meeting and staying with families of the host country in their homes, with the aim of acquainting school children with life, traditions and education in other participating States.

67. They will encourage their relevant government agencies or educational institutions to include, as appropriate, the Final Act as a whole in the curricula of schools and universities.

68. They will ensure that persons belonging to national minorities or regional cultures on their territories can give and receive instruction on their own culture,

including instruction through parental transmission of language, religion and cultural identity to their children.

69. They will encourage their radio and television organizations to inform each other of the educational programmes they produce and to consider exchanging such programmes.

70. They will encourage direct contacts and co-operation between relevant governmental institutions or organizations in the field of education and science.

71. They will encourage further co-operation and contacts between specialized institutions and experts in the field of education and rehabilitation of handicapped children.

Human Dimension of the CSCE

The participating States,

Recalling the undertakings entered into in the Final Act and in other CSCE documents concerning respect for all human rights and fundamental freedoms, human contacts and other issues of a related humanitarian character,

Recognizing the need to improve the implementation of their CSCE commitments and their co-operation in these areas which are hereafter referred to as the human dimension of the CSCE,

Have, on the basis of the principles and provisions of the Final Act and of other relevant CSCE documents, decided:

1. to exchange information and respond to requests for information and to representations made to them by other participating States on questions relating to the human dimension of the CSCE. Such communications may be forwarded through diplomatic channels or be addressed to any agency designated for these purposes;

2. to hold bilateral meetings with other participating States that so request, in order to examine questions relating to the human dimension of the CSCE, including situations and specific cases with a view to resolving them. The date and place of such meetings will be arranged by mutual agreement through diplomatic channels;

3. that any participating State which deems it necessary may bring situations and cases in the human dimensions of the CSCE, including those which have been raised at the bilateral meetings described in paragraph 2, to the attention of other participating States through diplomatic channels;

4. that any participating State which deems it necessary may provide information on the exchange of information and the responses to its requests for information and to representations (paragraph 1) and on the results of the bilateral meetings (paragraph 2), including information concerning situations and specific cases, at the meetings of the Conference of the Human Dimension as well as at the main CSCE Follow-up Meetings.

The participating States decide further to convene a Conference on the Human Dimension of the CSCE in order to achieve further progress concerning respect for all human rights and fundamental freedoms, human contacts and other issues of a related humanitarian character. The Conference will hold three meetings before the next CSCE Follow-up Meeting.

The Conference will:

- review developments in the human dimension of the CSCE including the implementation of the relevant CSCE commitments;

- evaluate the functioning of the procedure described in paragraphs 1 to 4 and discuss the information provided according to paragraph 4;

- consider practical proposals for new measures aimed at improving the implementation of the commitments relating to the human dimension of the CSCE and enhancing the effectiveness of the procedures described in paragraphs 1 to 4.

On the basis of these proposals, the Conference will consider adopting new measures.

The first Meeting of the Conference will be held in Paris from 30 May to 23 June 1989.

The second Meeting of the Conference will be held in Copenhagen from 5 June to 29 June 1990.

The third Meeting of the Conference will be held in Moscow from 10 September to 4 October 1991.

The agenda, timetable and other organizational modalities are set out in Annex X.

The next main CSCE Follow-up Meeting, to be held in Helsinki, commencing on 24 March 1992, will assess the functioning of the procedures set out in paragraphs 1 to 4 above and the progress made at the Meetings of the Conference on the Human Dimension of the CSCE. It will consider ways of further strengthening and improving these procedures and will take appropriate decisions.

Follow-up to the Conference

In conformity with the relevant provisions of the Final Act and with their resolve and commitment to continue the multilateral process initiated by the CSCE, the participating States will hold further meetings regularly among their representatives.

The fourth main Follow-up Meeting will be held in Helsinki, commencing on 24 March 1992.

The agenda, work programme and modalities of the main Vienna Meeting will be applied, *mutatis mutandis*, to the main Helsinki Meeting, unless other decisions on these questions are taken by the preparatory meeting mentioned below.

For the purpose of making the adjustments to the agenda, work programme and modalities applied at the main Vienna Meeting, a preparatory meeting will be held in Helsinki, commencing on 10 March 1992. It is understood that in this context adjustments concern those items requiring change as a result of the change in date and place, the drawing of lots and the mention of the other meetings held in conformity with the decisions of the Vienna Meeting 1986. The duration of the preparatory meeting shall not exceed two weeks.

The agenda, work programme and modalities for CSCE Follow-up Meetings mentioned in this document have been prepared by the main Vienna Meeting. The results of these meetings will be taken into account, as appropriate, at the main Helsinki Meeting.

All the meetings referred to in this chapter will be held in conformity with paragraph 4 of the chapter on "Follow-up to the Conference" of the Final Act.

The participating States examined the scope for rationalising the modalities for further CSCE Follow-up Meetings, for enhancing their effectiveness and for ensuring the best possible use of resources. In the light of their examination and in connection with the steps taken at the main Vienna Meeting, including the drawing up of mandates annexed to this document, they decided:

- to dispense with preparatory meetings unless otherwise agreed;

- bearing in mind the purpose of the meeting, to limit the number of subsidiary working bodies meeting simultaneously to the lowest possible;

- to limit the duration of meetings, unless otherwise agreed, to a period not exceeding four weeks;

- in the case of meetings to which no governmental participants are invited to contribute, to make maximum use of the possibility of having informal meetings in order to allow for a more spontaneous discussion;

- to observe to the same extent as the host country its national day.

The main Helsinki Meeting will revise these arrangements and other modalities in the light of experience, with a view to making any improvements which may be necessary.

The Government of Austria is requested to transmit the present document to the Secretary-General of the United Nations, to the Director-General of UNESCO and to the Executive Secretary of the United Nations Economic Commission for Europe and to other international organizations mentioned in this document. The Government of Austria is also requested to transmit the present document to the Governments of the non-participating Mediterranean States.

The text of this document will be published in each participating State, which

all disseminate it and make it known as widely as possible.

The representatives of the participating States express their profound gratitude to the people and Government of Austria for the excellent organization of the Vienna Meeting and warm hospitality extended to the delegations which participated in the Meeting.

Vienna, 15 January 1989

5. In conformity with paragraph 74 of the Final Recommendations of the Helsinki Consultations, the Government of Malta will designate an Executive Secretary. This designation will be subject to approval by the participating States.

6. The other rules of procedure, the working methods and the scale of distribution of the expenses of the CSCE will, *mutatis mutandis*, be applied to the Meeting.

ANNEX I

ANNEX I

Agenda, Timetable and Other Organizational Modalities of the Meeting of Experts on Peaceful Settlement of Disputes

AGENDA

1. Formal opening of the Meeting. Address by a representative of the host country.

2. General exchange of views.

3. Examination of proposals submitted.

4. Preparation and adoption of the report of the Meeting.

5. Formal closure of the Meeting.

TIMETABLE AND OTHER ORGANIZATIONAL MODALITIES

The Meeting will open on Tuesday, 15 January 1991 at 10.30 a.m., in Valletta. It will close not later than Friday, 8 February 1991.

2. Participants may circulate written proposals or other contributions prior to the Meeting through diplomatic channels or through the Executive Secretary to all other participating States in order to allow for a thorough preparation of the Meeting.

3. The timetable of the Meeting will be as follows:

- from Tuesday, 15 January to Thursday, 17 January 1991, the Meeting will deal with Agenda item 2;
- from Friday, 18 January to Friday, 8 February 1991, the Meeting will deal with Agenda items 3, 4 and 5.

4. The Chair at the opening and closing meetings will be taken by a representative of the host country. After the opening meeting, the Chair will be taken in daily rotation, in French alphabetical order, starting with a representative of Italy.

WORK PROGRAMME Peaceful Settlement of Disputes 15 January—8 February 1991

Working Hours: 10.30 a.m.-1 p.m.
3 p.m.-6 p.m.

1st WEEK	Monday 14 January	Tuesday 15 January	Wednesday 16 January	Thursday 17 January	Friday 18 January
Morning		PL	PL	PL	PL
Afternoon		PL	PL	PL	PL

2nd WEEK	Monday 21 January	Tuesday 22 January	Wednesday 23 January	Thursday 24 January	Friday 25 January
Morning	PL	PL	PL	PL	PL
Afternoon	PL	PL	PL	PL	PL

3rd WEEK	Monday 28 January	Tuesday 29 January	Wednesday 30 January	Thursday 31 January	Friday 1 February
Morning	PL	PL	PL	PL	PL
Afternoon	PL	PL	PL	PL	PL

4th WEEK	Monday 4 February	Tuesday 5 February	Wednesday 6 February	Thursday 7 February	Friday 8 February
Morning	PL	PL	PL	PL	PL
Afternoon	PL	PL	PL	PL	PL

ANNEX II

ANNEX II

Chairman's Statement

NEGOTIATIONS ON CONFIDENCE- AND SECURITY-BUILDING MEASURES

With reference to the provision that the decisions of the Preparatory Meeting held in Helsinki from 25 October to 11 November 1983 will be applied, *mutatis mutandis*, to the Negotiations on Confidence- and Security-building Measures, which will take place according to the relevant provisions of the subchapter "Confidence- and Security-building Measures and certain Aspects of Security and Disarmament in Europe," it is understood that

- the meetings of the Plenary during the first two weeks will be held according to the work programme attached to this statement. The first Plenary will be held on 9 March 1989 at 10:30 a.m. The first session will end on 23 March 1989;
- subsequent work programmes will be adopted by the Plenary;
- in conformity with the rules of procedure, the Government of Austria will designate an Executive Secretary, the designation being subject to approval by the participating States;
- the Chair at the first Plenary meeting will be taken by the representative of the host country and thereafter in daily rotation, in French alphabetical order, starting with the representative of Greece.

This statement will be an Annex to the Concluding Document of the Vienna Meeting and will be published with it.

ANNEX III

Chairman's Statement

NEGOTIATION ON CONVENTIONAL ARMED FORCES IN EUROPE

It is understood that the following mandate has been agreed by the States participating in the future Negotiation on Conventional Armed Forces in Europe:

Mandate for Negotiation on Conventional Armed Forces² in Europe

The representatives of Belgium, Bulgaria, Canada, Czechoslovakia, Denmark, France, the German Democratic Republic, the Federal Republic of Germany, Greece, Hungary, Iceland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal,

WORK PROGRAMME
Confidence- and Security-Building Measure
9-17 March 1989

Working Hours: 10.30 a.m.-1 p.m.
3 p.m.-6 p.m.

1st WEEK	Monday 6 March	Tuesday 7 March	Wednesday 8 March	Thursday 9 March	Friday 10 March
Morning				PL	PL
Afternoon					

2nd WEEK	Monday 13 March	Tuesday 14 March	Wednesday 15 March	Thursday 16 March	Friday 17 March
Morning			PL		
Afternoon	PL			PL	

Romania, Spain, Turkey, the Union of Soviet Socialist Republics, the United Kingdom and the United States of America, held consultations in Vienna from 17 February 1987 to 10 January 1989.

These States,

Conscious of the common responsibility which they all have for seeking to achieve greater stability and security in Europe;

Acknowledging that it is their armed forces which bear most immediately on the essential security relationship in Europe, in particular, as they are signatories of the Treaties of Brussels (1948), Washington (1949) or Warsaw (1955), and accordingly are members of the North Atlantic Alliance or parties to the Warsaw Treaty;

Recalling that they are all participants in the CSCE process;

Recalling that, as reaffirmed in the Helsinki Act, they have the right to belong or not to belong to international organizations, to be or not to be a party to bilateral or multilateral treaties including the right to be or not to be a party to treaties of alliance;

Determined that a Negotiation on Conventional Armed Forces in Europe should take place in the framework of the CSCE process;

Reaffirming also that they participate in negotiations as sovereign and independent States and on the basis of full equality;

Have agreed on the following provisions:

Participants

The participants in this negotiation shall be the 23 above-listed States hereinafter referred to as "the participants."

Objectives and Methods

The objectives of the negotiation shall be to strengthen stability and security in Europe through the establishment of a stable and secure balance of conventional armed forces, which include conventional armaments and equipment, at lower levels; the elimination of disparities prejudicial to stability and security; and the elimination, as a matter of priority, of the capability for launching surprise attack and for initiating large-scale offensive action. Each and every participant undertakes to contribute to the attainment of these objectives.

These objectives shall be achieved by the application of militarily significant measures such as reductions, limitations, redeployment provisions, equal ceilings and related measures, among others.

In order to achieve the above objectives, measures should be pursued for the whole area of application with provisions if and where appropriate, for regional differentiation to redress disparities within the area of application and in a way which precludes circumvention.

The process of strengthening stability and security should proceed step-by-step in a manner which will ensure that the security of each participant is not affected adversely at any stage.

Scope and Area of Application

The subject of the negotiation shall be the conventional armed forces, which include conventional armaments and equipment, the participants based on land within the

territory of the participants in Europe from the Atlantic to the Urals.

The existence of multiple capabilities will not be a criterion for modifying the scope of the negotiation:

- No conventional armaments or equipment will be excluded from the subject of the negotiation because they may have other capabilities in addition to conventional ones. Such armaments or equipment will not be singled out in a separate category;

- Nuclear weapons will not be a subject of this negotiation.

Particular emphasis will initially be placed on those forces directly related to the achievement of the objectives of the negotiation set out above.

Naval forces and chemical weapons will not be addressed.

The area of application³ shall be the entire land territory of the participants in Europe from the Atlantic to the Urals, which includes all the European island territories of the participants. In the case of the Soviet Union the area of application includes all the territory lying west of the Ural River and the Caspian Sea. In the case of Turkey, the area of application includes the territory of Turkey north and east of the following line: the point of intersection of the border with the 39th parallel, Muradiye, Patnos, Karayazi, Tekman, Kizilirmaliye, Fekke, Ceyhan, Dogankent, and thence to the sea.

Exchange of Information and Verification

Compliance with the provisions of any agreement shall be verified through an effective and strict verification regime which, among other things, will include on-site inspections as a matter of right and exchanges of information.

Information shall be exchanged in sufficient detail so as to allow a meaningful comparison of the capabilities of the forces involved. Information shall also be exchanged in sufficient detail so as to provide a basis for the verification of compliance.

The specific modalities for verification and the exchange of information, including the degree of detail of the information and the order of its exchange, shall be agreed at the negotiation proper.

Procedures and Other Arrangements

The procedures for the negotiation, including the agenda, work programme and timetable, working methods, financial issues and other organizational modalities, as agreed by the participants themselves, are

set out in Annex 1 of this mandate. They can be changed only by consensus of the participants.

The participants decided to take part in meetings of the States signatories of the Helsinki Final Act to be held at least twice during each round of the Negotiation on Conventional Armed Forces in Europe in order to exchange views and substantive information concerning the course of the Negotiation on Conventional Armed Forces in Europe. Detailed modalities for these meetings are contained in Annex 2 to this mandate.

The participants will take into consideration the views expressed in such meetings by other CSCE participating States concerning their own security.

Participants will also provide information bilaterally.

The participants undertake to inform the next CSCE Follow-up Meeting of their work and possible results and to exchange views, at that meeting, with the other CSCE participating States on progress achieved in the negotiation.

The participants foresee that, in the light of circumstances at the time, they will provide in their timetable for a temporary suspension to permit this exchange of views. The appropriate time and duration of this suspension is their sole responsibility.

Any modification of this mandate is the sole responsibility of the participants, whether they modify it themselves or concur in its modification at a future CSCE Follow-up Meeting.

The results of the negotiation will be determined only by the participants.

Character of Agreements

Agreements reached shall be internationally binding. Modalities for their entry into force will be decided at the negotiation.

Venue

The negotiation shall commence in Vienna no later than in the seventh week following the closure of the Vienna CSCE Meeting.

The representatives of the 23 participants, whose initials appear below, have concluded the foregoing mandate, which is equally authentic in the English, French, German, Italian, Russian and Spanish languages.

The representatives, recalling the commitment of their States to the achievement of a balanced outcome at the Vienna CSCE Meeting, have decided to transmit it to that Meeting with the recommendation that it be attached to its Concluding Document.

Palais Liechtenstein
Vienna, Austria,
the 10th day of January 1989
Representatives of:

The Federal Republic of Germany
R. HARTMANN

The German Democratic Republic
P. STEGLICH

The United States of America
S.J. LEDOGAR

The Kingdom of Belgium
J. COENE

The People's Republic of Bulgaria
L. PETROV

Canada
M. SHENSTONE

Denmark
B. ROSENTHAL

Spain
J.A. SAN GIL

France
S. ZOURABICHVILI

The United Kingdom of Great Britain and Northern Ireland
J.M. EDES

The Hellenic Republic
E. FRANGOULIS

The Hungarian People's Republic
A. ERDOS

Iceland
H.W. HANNESSON

The Italian Republic
P. PUCCI DI BENISICHI

The Grand Duchy of Luxembourg
E. MOLITOR

Norway
H.J. BJORN LIAN

The Kingdom of the Netherlands
J.H. MEESMAN

Polish People's Republic
W. KONARSKI

Portugal
J.M. QUEIROZ DE BARROS

The Socialist Republic of Romania
D. ANINOIU

The Czechoslovak Socialist Republic
F. DOLEZEL

The Republic of Turkey
A.H. ALP

The Union of Soviet Socialist Republics
YU. B. KASHLEV

ANNEX 1

PROCEDURES FOR THE NEGOTIATION ON CONVENTIONAL ARMED FORCES IN EUROPE

The representatives of the 23 states listed in the mandate, hereinafter referred to as "the participants," held consultations in Vienna from 17 February 1987 to 10 January 1989, and agreed on the following procedural arrangements for the conduct of the Negotiation on Conventional Armed Forces in Europe.

These procedural arrangements have been adopted by the consensus of the participants. They can be changed only by consensus of the participants.

I. Agenda

1. Formal opening.

2. Negotiations, including presentation of proposals by the participants, elaboration of measures and procedures for their implementation, in accordance with the provisions of the mandate of the Negotiation on Conventional Armed Forces in Europe.

II. Work Programme

The first plenary of the Negotiation on Conventional Armed Forces in Europe will open in Vienna at 3 p.m. on the Thursday of the week referred to in the section of the mandate on Venue. A work programme for the meetings of the plenary during the first fourteen days of the round is attached. Thereafter, the plenary will agree further work programmes for the remainder of the first round, and for subsequent rounds. A decision on the date for conclusion of the round will be taken at the first plenary.

In 1989, there will in principle be four rounds.

The participants will, in setting their timetable, take due account of the practical needs of all delegations, including those participating in other negotiations within the framework of the CSCE process.

III. Working Methods

With the exception of the formal opening, all business under the agenda will—unless otherwise agreed—be dealt with in closed plenary and in such subsidiary working bodies as are established by the plenary. The work of such subsidiary bodies will be guided by the plenary.

Decisions shall be taken by consensus of the participants. Consensus shall be understood to mean the absence of any objection by any participant to the taking of the decision in question.

The proceedings of the negotiation shall be confidential unless otherwise agreed at the negotiation.

Unless otherwise agreed, only accredited representatives of the participants shall have access to meetings.

During the plenary meetings all participants shall be seated in the French alphabetical order.

IV. Languages

The official languages of the negotiation shall be: English, French, German, Italian, Russian and Spanish. Statements made in any of these languages shall be interpreted into the other official languages.

V. Role of the Chairman

The Chairman of the first Plenary will be the representative of Poland. The Chair thereafter will rotate weekly according to the French alphabetical order.

The Chairman of each meeting shall keep a list of speakers and may declare it closed with the consent of the meeting. The Chairman shall, however, accord the right of reply to any representative if a speech made following closure of the list makes this desirable.

If any representative raises a point of order during a discussion, the Chairman shall give that representative the floor immediately. A representative raising a point of order may not speak on the substance of the matter under discussion.

The Chairman shall keep a journal which shall record the date of the Plenary, and the names of the Chairman of the Plenary and of speakers in the Plenary. The journal shall be handed from Chairman to Chairman. It shall be made available only to participants.

VI. Decisions, Interpretative Statements and Proposals and Related Documents on Matters of Substance

Decisions on matters of substance shall be attached to the journal. Interpretative statements, if any, shall be attached to the journal at the request of the originator.

Formal proposals and related documents on matters of substance and amendments thereto shall be submitted in writing to the Chairman and shall be registered at the request of the originator. They shall be circulated in writing to the participants.

VII. Financial Issues

The following scale of distribution has been agreed for the common expenses of the negotiation subject to the reservation that the distribution in question concerns only this negotiation and shall not be considered a precedent which could be relied on in other circumstances:

9.95% for France, Federal Republic of Germany, Italy, Union of Soviet Socialist Republics, United Kingdom, United States of America
6.25% for Canada
5.0% for Spain
3.85% for Belgium, German Democratic Republic, Netherlands, Poland
2.25% for Czechoslovakia, Denmark, Hungary, Norway
0.85% for Greece, Romania, Turkey
0.65% for Bulgaria, Luxembourg, Portugal
0.15% for Iceland

Payment of contributions by the participants shall be made into a special account of the negotiation. Accounts shall be rendered by the host country in respect of each round or at intervals of three months as appropriate. Accounts shall be expressed in the currency of the host country and shall be rendered as soon as technically possible after the termination of a billing period. Accounts shall be payable within sixty days of presentation in the currency of the host country.

VIII. Host Country Support

The Government of Austria shall provide security and other necessary support services for the negotiation.

The host country shall be asked to appoint an Administrator, agreed by the participants, to make and manage arrangements for the negotiation. The Administrator shall be a national of the host country. The task of the Administrator shall include, in liaison with the appropriate host country authorities:

- to arrange accreditation for the participants;
- to manage the facilities of the negotiation;
- to ensure the security of, and control access to, the facilities and meetings;
- to employ and manage interpretation staff;
- to make available appropriate technical equipment;
- to ensure the availability of translation services, in all official languages; the practical arrangements for their use being agreed at the negotiation;
- to deal with financial matters;
- to make available to participants necessary facilities for press briefings and to arrange appropriate media accreditation.

The Administrator shall act at all times in conformity with these rules of procedure. Liaison between the Administrator and the Plenary will be effected by the Chairman.

ANNEX 2

MODALITIES FOR MEETINGS TO EXCHANGE VIEWS AND INFORMATION CONCERNING THE COURSE OF THE NEGOTIATION ON CONVENTIONAL ARMED FORCES IN EUROPE

The participants have, for their part, agreed the following modalities for the meetings which are to be held between participants in the Negotiation on Conventional Armed Forces in Europe and other CSCE participating States.

Unless otherwise agreed, meetings will take place at least twice in the course of each round of the negotiation.

Meetings will not be extended beyond the day on which they convene, unless otherwise agreed.

The Chair at the first meeting will be taken by the delegation chosen for this purpose by lot. The Chair will then rotate among the 35 States represented in alphabetical order according to the French alphabet.

Further practical arrangements may, if necessary, be agreed by consensus, taking into regard of relevant precedents.

Statement of the Representative

Denmark

On behalf of the Government of Denmark, I wish to confirm that the Faroe Islands are included in the area of application for the Negotiation on Conventional Armed Forces in Europe.

Statement of the Representative

Norway

On behalf of the Government of Norway, I confirm that Svalbard, including Bear Island, is included in the area of application for the Negotiation on Conventional Armed Forces in Europe.

Statement of the Representative

Portugal

The islands of Azores and Madeira have by right the status of European Islands. It has been agreed in the mandate that all the European island territories of the participants are included in the area of application. I can therefore state on behalf of my Government that the Azores and Madeira are within the area of application for the Negotiation on Conventional Armed Forces in Europe.

Statement of the Representative of Spain

On behalf of the Government of Spain, I confirm that the Canary Islands are included in the area of application for the Negotiation on Conventional Armed Forces in Europe.

Statement of the Representative of the Union of Soviet Socialist Republics

On behalf of the Government of the Union of Soviet Socialist Republics, I confirm

that Franz Josef Land and Novaya Zemlya are included in the area of application for the Negotiation on Conventional Armed Forces in Europe.

This statement will be an Annex to the Concluding Document of the Vienna Meeting and will be published with it.

ANNEX IV

Chairman's Statement

MEETINGS IN ORDER TO EXCHANGE VIEWS AND INFORMATION CONCERNING THE COURSE OF THE NEGOTIATION ON CONVENTIONAL ARMED FORCES IN EUROPE

The meetings to exchange views and information concerning the course of the Negotiation on Conventional Armed Forces in Europe will, unless otherwise agreed, be held as follows:

- on the second Tuesday of each session of the Negotiation on Conventional Armed Forces in Europe;
- on every fourth Tuesday thereafter unless it happens to be in the penultimate week of the session;
- on the Tuesday of the concluding week of each session.

Consequently, the first meeting will take place on 21 March 1989. It will commence at 10:30 a.m.

These meetings will not be extended beyond the day on which they convene, unless otherwise agreed.

The Chair will be taken in daily rotation, in French alphabetical order, starting with the representative of Sweden.

Further practical arrangements related to the procedure and working methods may, if necessary, be agreed to accord with the rules of procedure of the CSCE.

This statement will be an Annex to the Concluding Document of the Vienna Meeting and will be published with it.

ANNEX V

Conference on Economic Co-operation in Europe

I. AGENDA

1. Formal opening. Address by a representative of the host country.
2. Statements by delegations of the participating States.
3. Contributions by the Economic Commission for Europe (ECE) and the International Chamber of Commerce (ICC).
4. Consideration of the following items:

A. Development and diversification of economic relations through practical measures regarding:

- (a) Business contacts
- (b) Working conditions for businesspeople
- (c) Economic and commercial information
- (d) Role of small and medium-sized enterprises
- (e) Marketing and product promotion

B. Industrial co-operation: Requirements for the establishment and operation, on a mutually advantageous basis, of joint ventures and other forms of industrial co-operation such as co-production, specialization and licensing:

- (a) Economic conditions and legal administrative aspects
- (b) Investment-related matters

C. Co-operation in specific areas:

- (a) Energy and raw material saving techniques
- (b) Equipment for environmental protection
- (c) Techniques aimed at improving the quality of life
- (d) Agro-industry and food processing, including natural food production
- (e) Machinery for the production of durable and non-durable consumer goods
- (f) Urban development and town planning.

D. Monetary and financial aspects of commercial exchanges and industrial co-operation, such as:

- (a) Currency convertibility and pricing and their effects on international competition
- (b) Financial instruments and other support facilities offered by the financial services sector.

5. Concluding discussion and summing up.

6. Formal closure.

II. ORGANIZATIONAL FRAMEWORK AND OTHER MODALITIES

1. The Conference will be attended by delegations, which may include businesspeople and representatives of relevant organizations and institutions, from the participating States. At the concluding Plenary meetings, in the fourth week, delegations may also include leading members of the business community and of relevant organizations and institutions. The Conference will open on 19 March 1990 at 3 p.m., in Bonn. It will close on 11 April 1990.

2. The ECE and the ICC are invited to attend the Conference.

3. All Plenary meetings will be open. Unless otherwise agreed, all meetings of Subsidiary Working Bodies will be open.

4. Agenda items 1, 5 and 6 will be dealt with in the Plenary. Agenda item 4 will be dealt with in the Plenary and in

Subsidiary Working Bodies (SWBs), in a balanced and structured way. Contributions under Agenda items 2 and 3 may be made both in the Plenary and in the SWBs.

5. Subsidiary Working Bodies A, B, C and D will be set up and will deal with Agenda item 4, in the following manner:

SWB A: Development and diversification of economic relations through practical measures regarding:

- Business contacts
- Working conditions for businesspeople
- Economic and commercial information
- Role of small and medium-sized enterprises

SWB B: Industrial co-operation: Requirements for the establishment and operation, on a mutually advantageous basis, of joint ventures and other forms of industrial co-operation such as co-production, specialization and licensing:

- Economic conditions and legal and administrative aspects
- Investment-related matters
- Marketing and product promotion

SWB C: Co-operation in specific areas:

- Energy and raw material saving techniques
- Equipment for environmental protection
- Techniques aimed at improving the quality of life
- Agro-industry and food processing, including natural food production
- Machinery for the production of durable and non-durable consumer goods
- Urban development and town planning

SWB D: Monetary and financial aspects of commercial exchanges and industrial co-operation, such as:

- Currency convertibility and pricing, and their effects on international competition
- Financial instruments and other support facilities offered by the financial services sector.

6. The Plenary will decide upon working methods which may be required to deal with the specific topics of Agenda item 4 and with Agenda item 5.

7. Sessions of the Plenary and of the Subsidiary Working Bodies will be held according to the attached work programme.

8. The Chair at the opening and closing Plenary sessions will be taken by a representative of the host country. After the opening session, the Chair will be taken in daily rotation, in French alphabetical order, starting with a representative of Austria.

9. The Chair at the opening meetings of the SWBs will be taken by a representative of the host country. Selection of the next Chairman will be by lot. The Chair will then be taken in daily rotation among the representatives of the participating States in French alphabetical order.

10. In conformity with paragraph 74 of the Final Recommendations of the Helsinki

Consultations, the Government of the Federal Republic of Germany will designate an Executive Secretary. This designation will be subject to approval by the participating States.

11. The other rules of procedure, the working methods and the scale of distribution of expenses of the CSCE will, *mutatis mutandis*, be applied to the Conference.

ANNEX V

WORK PROGRAMME Conference on Economic Co-operation in Europe 19 March-11 April 1990

Working Hours: 10.30 a.m.-1 p.m.
3 p.m.-6 p.m.

1st WEEK	Monday 19 March	Tuesday 20 March	Wednesday 21 March	Thursday 22 March	Friday 23 March
Morning		PL	SWB A	SWB A	SWB A
Afternoon	PL	PL	SWB B	SWB B	SWB B

2nd WEEK	Monday 26 March	Tuesday 27 March	Wednesday 28 March	Thursday 29 March	Friday 30 March
Morning	SWB A	SWB A	SWB A	SWB A	SWB C
Afternoon	SWB B	SWB B	SWB B	SWB B	SWB C

3rd WEEK	Monday 2 April	Tuesday 3 April	Wednesday 4 April	Thursday 5 April	Friday 6 April
Morning	SWB C	SWB C	SWB D	SWB D	SWB D
Afternoon	SWB C	SWB C	SWB D	SWB D	SWB D

4th WEEK	Monday 9 April	Tuesday 10 April	Wednesday 11 April	Thursday 12 April	Friday 13 April
Morning	PL	PL	PL		
Afternoon	PL	PL			

ANNEX VI

Meeting on the Protection
of the Environment

A. AGENDA

1. Formal opening of the Meeting. Address by a representative of the host country.
2. Opening statements by representatives of the participating States.
3. Contributions by the Economic Commission for Europe (ECE), the United Nations Environment Programme (UNEP) and the International Union for Conservation of Nature and Natural Resources (IUCN).
4. Review of the work already done, or currently under way, in the fields of:
 - (a) Prevention and control of the transboundary effects of industrial accidents;
 - (b) Management of potentially hazardous chemicals;
 - (c) Pollution of transboundary water-courses and international lakes.
5. In the light of Agenda item 4, examination of possibilities for further measures and co-operation, including improved exchange of information. The discussion will focus on legal, practical, technical and technological aspects, as well as on educational matters and public awareness.
6. Drawing up of conclusions and recommendations.
7. Closing statements.
8. Formal closure.

B. ORGANIZATIONAL FRAMEWORK
AND OTHER MODALITIES

The meeting will open on 16 October 1989 at 10.30 a.m., in Sofia. It will close on 3 November 1989.

2. The ECE, UNEP and IUCN will be invited to attend the Meeting.

3. All Plenary meetings will be open.

4. Agenda items 1, 2, 3, 4, 6, 7 and 8 will be dealt with in the Plenary.

5. Agenda item 5 will be dealt with in the Plenary and in two Subsidiary Working Bodies (SWBs), which will cover the fields mentioned in Agenda item 4, in a balanced and structured way, as follows:

- a general debate, including an exchange of views on educational matters and public awareness, will be held in the Plenary to initiate the work of the Subsidiary Working Bodies;

- SWB I will deal with legal, administrative and practical aspects of issues such as liability and restoration, systems of alert, assistance upon request, preventive measures, information flows and consultations;

- SWB II will deal with the scientific, technical and technological aspects of issues such as preventive measures, risk assessment, assessment of damage, clean-up, measurement and monitoring;

- the SWBs I and II will submit their reports to the Plenary.

6. The timetable of the Meeting will be the following:

- from 16 to 19 October 1989 the Plenary will deal with Agenda items 1, 2, 3, 4 and the general debate related to Agenda item 5;

- from 19 October to 1 November 1989 the two SWBs will meet to deal with Agenda item 5;

- from 1 to 3 November 1989 the Plenary will consider reports by the SWBs and on this basis draw up conclusions and recommendations in the three fields listed in Agenda item 4, as provided for under Agenda item 6.

7. Prior to the Meeting, the participating States and international organizations attending are invited to circulate written contributions, through diplomatic channels or through the Executive Secretary, to all participating States in order to allow thorough preparation of the Meeting.

8. Meetings of the Plenary and the SWBs will be held according to the attached work programme.

ANNEX VI

WORK PROGRAMME
Environmental Meeting
16 October-3 November 1989

Working Hours: 10.30 a.m.-1 p.m.
3 p.m.-6 p.m.

1st WEEK	Monday 16 October	Tuesday 17 October	Wednesday 18 October	Thursday 19 October	Friday 20 October
Morning		PL	PL	PL	SWB II
Afternoon	PL	PL	PL	SWB I	SWB I

2nd WEEK	Monday 23 October	Tuesday 24 October	Wednesday 25 October	Thursday 26 October	Friday 27 October
Morning	SWB II	SWB II	SWB II	SWB II	SWB II
Afternoon	SWB I	SWB I	SWB I	SWB I	SWB I

3rd WEEK	Monday 30 October	Tuesday 31 October	Wednesday 1 November	Thursday 2 November	Friday 3 November
Morning	SWB II	SWB II	SWB II	PL	PL
Afternoon	SWB I	SWB I	PL	PL	

ANNEX VII

Meeting on the Mediterranean

I. AGENDA

1. Formal opening of the Meeting. Address by a representative of the host country.

2. Opening statements by representatives of the participating States, the non-participating Mediterranean States and the international organizations invited; opening statements should, as a rule, not exceed 15 minutes per delegation.

3. Exchange of views on issues raised in opening statements, taking into consideration the provisions of the Mediterranean chapters of the Final Act and the Madrid Concluding Document, and review of the existing practice of contacts and co-operation with the non-participating Mediterranean States.

4. Specific aspects of cooperation:

- examination of the opportunities offered to contribute to the faster social and economic development of the countries of the region, in particular those which are developing from an economic point of view;

- examination of possibilities for the harmonization of statistical methods;

- encouragement of contacts at various levels (expert meetings, round tables, study visits) with a view to contributing to the implementation of concrete programmes for co-operation;

- co-operation in the field of solar and wind energy;

- consideration of questions relating to the conservation and restoration of historic centres and the preservation of cultural heritage including marine archaeology;

5. Protection of Mediterranean ecosystems:

- urban, agricultural and industrial water uses and requirements in the Mediterranean countries;

- pollution of surface and underground water and of the Mediterranean Sea;

- national, bilateral and international action to control and prevent pollution by national and transboundary waterways flowing into the Mediterranean and pollution by ships;

- recycling of waste water and the use of other new technologies to obtain water resources;

- desertification and the struggle against it, including parameters and techniques; initiatives in international co-operation in this field; the role of forest conservation and reforestation;

- international cooperation in the Mediterranean in preventing and extinguishing forest fires; the role of meteorology and communication networks; traditional and other techniques in the struggle against forest fires, including the use and international coordination of aerial means, land techniques and standardization fire-fighting methods; information and awareness campaigns;

- atmospheric problems, in particular air quality in urban centres and the effects of air pollution on historical monuments and biological ecosystems; typical sources of air pollution in Mediterranean countries and the Mediterranean share in long-range air pollution;

- the biosphere and related questions of ecology and human activities; nature conservation; study of coastal and island areas including urban development;

- environmental aspects of the development of tourism;

- review and improvement of exchanges of information relating to the protection of the environment.

6. Elaboration and adoption of the report of the Meeting, including conclusions and recommendations based on the reports of the Subsidiary Working Bodies.

7. Closing statements, address by a representative of the host country and formal close of the Meeting.

II. ORGANIZATIONAL FRAMEWORK AND OTHER MODALITIES

1. The Meeting will open on Monday, 24 September at 3 p.m. in Palma de Mallorca; it will close not later than Friday, 19 October 1990.

2. Agenda items 1, 2, 3 and 7 will be dealt with in open Plenary.

3. Agenda item 6 will be dealt with in closed Plenary by the participating States.

4. Agenda item 4 will be dealt with in Subsidiary Working Body (SWB) I.

5. Agenda item 5 will be dealt with in SWB II.

6. The timetable of the Meeting will be the following:

- from Monday, 24 September, to Wednesday, 26 September, the Plenary will deal with Agenda items 1 and 2;

- on Thursday, 27 September, and Friday, 28 September, the Plenary will deal with Agenda item 3;

- from Monday, 1 October, to Tuesday, 16 October, the two SWBs will meet alternately to deal with Agenda items 4 and 5;

- Tuesday, 16 October, will be devoted to the adoption of reports by the SWBs for submission to the Plenary;

- on Wednesday, 17 October, and Thursday, 18 October, the Plenary will deal with Agenda item 6;

- on Friday, 19 October, the Plenary will deal with Agenda item 7.

7. Meetings of the Plenary and of the SWBs will be held according to the work programme set forth in this Annex.

8. Participants may circulate written contributions prior to the Meeting through diplomatic channels or through the Executive Secretary to all other participating States in order to allow a thorough preparation of the Meeting.

9. The Chair at the opening and closing Plenary sessions will be taken by a representative of the host country. After the opening Meeting, the Chair will be taken in daily rotation among the representatives of the participating States in French alphabetical order, starting with the representative of Italy.

10. The Chair at the opening meeting of the SWB will be taken by a representative of the host country. Selection of the next Chairman will be by lot. The Chair will then be taken in daily rotation among the representatives of the participating States in French alphabetical order.

11. Opening statements under Agenda item 2 will be made in the following order: Liechtenstein, Cyprus, the United States of America, Italy, Norway, Bulgaria, the Netherlands, Turkey, the Holy See, the Union of Soviet Socialist Republics, Canada, Austria, Finland, Luxembourg, Malta, Belgium, Romania, the German Democratic Republic, Iceland, France, the Federal Republic of Germany, Sweden, Yugoslavia, Spain, Hungary, Denmark, Czechoslovakia, San Marino, the United Kingdom, Monaco, Ireland, Greece, Portugal, Switzerland, Poland.

12. In conformity with paragraph 74 of the Final Recommendations of the Helsinki Consultations, the Government of Spain will designate an Executive Secretary. The designation will be subject to the agreement of the participating States.

13. The other rules of procedure, the working methods and the scale of distribution of the expenses of the CSCE will, *mutatis mutandis*, be applied to the Meeting.

ANNEX VII

**WORK PROGRAMME
Mediterranean
24 September-19 October 1990**

Working Hours: 10.30 a.m.-1 p.m.
3 p.m.-6 p.m.

1st WEEK	Monday 24 September	Tuesday 25 September	Wednesday 26 September	Thursday 27 September	Friday 28 September
Morning		PL	PL	PL	PL
Afternoon	PL	PL	PL	PL	PL

2nd WEEK	Monday 1 October	Tuesday 2 October	Wednesday 3 October	Thursday 4 October	Friday 5 October
Morning	SWB I	SWB I	SWB I	SWB I	SWB I
Afternoon	SWB II	SWB II	SWB II	SWB II	SWB II

3rd WEEK	Monday 8 October	Tuesday 9 October	Wednesday 10 October	Thursday 11 October	Friday 12 October
Morning	SWB II	SWB II	SWB II	SWB II	SWB II
Afternoon	SWB I	SWB I	SWB I	SWB I	SWB I

4th WEEK	Monday 15 October	Tuesday 16 October	Wednesday 17 October	Thursday 18 October	Friday 19 October
Morning	SWB I	SWB II	PL	PL	PL
Afternoon	SWB II	SWB I	PL	PL	PL

ANNEX VIII

**Agenda, Timetable and Other
Organizational Modalities of
Information Forum**

I. AGENDA

1. Formal opening of the Information Forum. Address by a representative of the host country.

2. Opening statements by representatives of the participating States; contributions by UNESCO and by the International Telecommunication Union (ITU).

3. Discussion of current and possible future problems and issues concerning

- the improvement of the circulation of, access to and exchange of information;
- cooperation in the field of information;
- the improvement of working conditions for journalists.

In dealing with these three main areas of the Final Act, the participants in the Information Forum, drawing on their professional experience, will review the present situation on the basis of the relevant CSCE provisions with the aim of indicating any necessary improvements or possible new developments in those fields. In so doing they will take into account the fields of oral information, printed information and filmed and broadcast information, as well as the aim, as laid down in the Final Act, to facilitate the freer and wider dissemination of information of all kinds, thus contributing to an ever wider knowledge and understanding of life in other participating States. Particular attention will also be paid to the latest achievements in the field of information gathering and transmission, including the prospects offered by new information and communication technology.

4. Closing statements by representatives of the participating States.

5. Formal closure of the Information Forum.

II. TIMETABLE AND OTHER ORGANIZATIONAL MODALITIES

1. The Information Forum will open on Tuesday, 18 April 1989 at 10.30 a.m. in London. It will close on Friday, 12 May 1989.

2. All Plenary meetings will be open.

3. Agenda items 1, 2, 4 and 5 will be dealt with in the Plenary.

4. Agenda item 3 will be dealt with in three Subsidiary Working Bodies, one on Printed Information (SWB A), one on Filmed, Broadcast and Oral Information

(SWB B) and one on Communication (SWB C), in a structured and balanced way. Possible themes for discussion in the Subsidiary Working Bodies are set out below. Agenda item 3 will also be dealt with in the Plenary sessions which are not devoted to Agenda items 1, 2, 4 and 5.

5. The timetable of the Forum will be the following:

- The first three days will be devoted, as required, to opening statements by representatives of those participating States which so desire and to the contributions by UNESCO and by ITU. The opening statements should, as a rule, not exceed 20 minutes per delegation and will be held in the following order: the German Democratic Republic, Iceland, Luxembourg, Finland, Greece, Belgium, Portugal, Spain, Italy, the Holy See, Bulgaria, the Netherlands, France, Malta, Czechoslovakia, Ireland, the United Kingdom, Turkey, Denmark, San Marino, Norway, the Union of Soviet Socialist Republics, Romania, Switzerland, Austria, Canada, the United States of America, Yugoslavia, Liechtenstein, the Federal Republic of Germany, Poland, Hungary, Cyprus, Sweden, Monaco.

- Beginning on Friday, 21 April, and ending on Monday, 8 May, the three Subsidiary Working Bodies will meet concurrently:

- Agenda items 4 and 5 shall be dealt with on the last three days of the Forum.

6. Participants may circulate written contributions on the subjects for consideration in one or more of the working languages of the CSCE prior to the Forum through the Executive Secretary to all other participating States in order to allow a thorough preparation of the relevant discussions.

7. If the Forum does not reach any agreed conclusions, proposals and projects submitted to the Forum will be forwarded to the next follow-up meeting by the Government of the host country.

8. Meetings of the Plenary and of the Subsidiary Working Bodies will be held according to the attached work programme.

9. At the opening and closing Plenary sessions, the Chair will be taken by a representative of the host country. After the opening session, the Chair will be taken in daily rotation, in French alphabetical order, starting with a representative of Sweden.

10. The Chair at the opening sessions of the Subsidiary Working Bodies will be taken by a representative of the host country. Selection of the next Chairman of each Subsidiary Working Body will be by lot. The Chair will then be taken in daily rotation, in French alphabetical order.

11. In conformity with paragraph 74 of the Final Recommendations of the Helsinki Consultations, the Government of the

ANNEX VIII

WORK PROGRAMME Information Forum 18 April-12 May 1989

Working Hours: 10.30 a.m.-1 p.m.
3 p.m.-6 p.m.

1st WEEK	Monday 17 April	Tuesday 18 April	Wednesday 19 April	Thursday 20 April	Friday 21 April
Morning		PL	PL	PL	PL
Afternoon		PL	PL	PL	SWB A

2nd WEEK	Monday 24 April	Tuesday 25 April	Wednesday 26 April	Thursday 27 April	Friday 28 April
Morning	SWB B	SWB B	SWB A	SWB C	PL
Afternoon	SWB C	SWB A	SWB B	SWB A	SWB B

3rd WEEK	Monday 1 May	Tuesday 2 May	Wednesday 3 May	Thursday 4 May	Friday 5 May
Morning	SWB A	SWB B	SWB A	SWB B	PL
Afternoon	SWB C	SWB A	SWB B	SWB C	SWB A

4th WEEK	Monday 8 May	Tuesday 9 May	Wednesday 10 May	Thursday 11 May	Friday 12 May
Morning	SWB B	PL	PL	PL	PL
Afternoon	SWB C	PL	PL	PL	

United Kingdom will designate an Executive Secretary. This designation will be subject to approval by the participating States.

12. The other rules of procedure, the working methods and the scale of distribution of the expenses of the CSCE will, *mutatis mutandis*, be applied to the Forum.

III. INDICATIVE LIST OF THEMES FOR DISCUSSION IN THE SUBSIDIARY WORKING BODIES

SWB A: Printed Information with particular reference to

- Distribution of periodicals and other publications both commercially published and official, questions relating to import of publications;

- Access to periodicals and other publications, e.g., in reading rooms and cultural information centres;

- Questions relating to printing and publishing including access to technical means;

- Contacts and exchanges between newspapers and periodicals, exchange of newspaper subscriptions.

SWB B: Filmed, Broadcast and Oral information with particular reference to

- Access to new means of communication including satellite and other cross-frontier broadcasting;
- Contacts and exchanges between broadcasting companies, e.g. telebridges, joint discussion or other programmes;
- Dissemination and use of recorded radio-visual material;
- Participation in international discussion fora;
- Public lectures, exchanges of study visits between officials and non-governmental organizations;
- Press conferences.

SWB A and SWB B: Both SWBs will so deal with general considerations concerning the exercise of the profession of journalists, in particular the improvement of working conditions for journalists and media personnel including

- The role of journalists in all its aspects;
- Facilitation of travel;
- Facilitation of access to sources;
- Respect for confidentiality of sources and materials;
- Visas/accreditation for journalists and radio/television crews;
- Possibilities for accredited correspondents to employ local nationals of their choice.

SWB C: Communication with particular reference to

- The impact on a national and international level of new production techniques and broadcasting technologies such as satellite and cable TV, telecommunications technology, use of computers, new tele-communication;
- The legal, pedagogical, cultural and social implications of current and future developments in the field of communication;
- Role of journalists in the context of such developments;
- Questions of copyright of journalists, commercial aspects.

ANNEX IX

Agenda, Timetable and Other Organizational Modalities of the Symposium on the Cultural Heritage

AGENDA

Formal opening of the Symposium. Address by a representative of the host country.

2. Introductory statements by representatives of the participating States; contribution by UNESCO.

3. Discussion of common features of the cultural heritage of the peoples of the participating States, with due attention to the originality and diversity of their respective cultures; consideration of:

(a) scope and measures necessary for increasing awareness and expanding mutual knowledge of this heritage;

(b) scope for improving, *inter alia* through co-operation and joint efforts, the protection and preservation of this heritage, including historical, cultural and religious monuments and objects.

In dealing with these items, the participants in the Symposium will review the implementation of the relevant CSCE provisions thus facilitating the identification of the scope for further action in these fields.

4. Closing statements and summing up of the results of the Symposium.

5. Formal closure of the Symposium.

II. TIMETABLE AND OTHER ORGANIZATIONAL MODALITIES

1. The Symposium will open on Tuesday, 28 May 1991 at 10.30 a.m. in Cracow. It will close on Friday, 7 June 1991.

2. All Plenary meetings will be open.

3. Under the guidance of the Plenary, Study Group A, devoted to questions re-

lated to increasing the awareness of the cultural heritage, will deal with Agenda item 3(a) and Study Group B, devoted to the discussion of the protection and preservation of the cultural heritage, will deal with Agenda item 3(b).

Under Agenda item 3(a) Study Group A will discuss in particular:

- sources and manifestations of the cultural heritage of the peoples of the participating States, including its contemporary aspects, and access to them;
- interrelationship between regional and other features of the cultural heritage;
- role of the sciences and humanities.

Under Agenda item 3(b) Study Group B will discuss in particular:

- implementation of co-operation programmes;
- preservation of the cultural heritage, including socio-economic aspects, and its interrelationship with the protection of the environment;
- use of modern technical methods and means in the preservation of the cultural heritage and in the dissemination of knowledge about it.

ANNEX IX

WORK PROGRAMME Cultural Heritage 28 May-7 June 1991

Working Hours: 10.30 a.m.-1 p.m.
3 p.m.-6 p.m.

1st WEEK	Monday 27 May	Tuesday 28 May	Wednesday 29 May	Thursday 30 May	Friday 31 May
Morning		PL	PL	SG B	SG B
Afternoon		PL	SG A	SG A	SG A

2nd WEEK	Monday 3 June	Tuesday 4 June	Wednesday 5 June	Thursday 6 June	Friday 7 June
Morning	PL	SG A	SG A	PL	PL
Afternoon	SG B	SG B	SG B	PL	

Both Study Group A and Study Group B will further deal with:

- scope for expanding contacts, communications and exchanges of information between institutions, experts and other interested persons in the field of culture;
- scope for creation, dissemination and co-operation.

4. The first one-and-a-half days of the Symposium will be devoted to Plenary meetings on Agenda items 1, 2 and 3. Introductory statements, as a rule, should not exceed 20 minutes per delegation and will be held in the following order: Poland, Spain, Norway, Hungary, the Federal Republic of Germany, San Marino, Portugal, Turkey, Ireland, Bulgaria, Austria, Monaco, Yugoslavia, Malta, Denmark, the United Kingdom, Belgium, Canada, Switzerland, Cyprus, France, the Holy See, Romania, Liechtenstein, Italy, the Netherlands, the German Democratic Republic, Finland, Greece, Luxembourg, Sweden, Iceland, Czechoslovakia, the Union of Soviet Socialist Republics, the United States of America.

The last one-and-a-half days will be devoted to Plenary meetings on Agenda items 3, 4 and 5.

The Symposium will proceed according to the attached work programme.

5. The Chair at the opening and closing meetings will be taken by a representative of the host country. After the opening Plenary meeting, the Chair at the Plenary meetings will be taken in daily rotation, in French alphabetical order, starting with a representative of Bulgaria.

The Chair at the opening session of the two Study Groups will be taken by a representative of the host country. Selection of the next Chairman of each Study Group will be by lot. The Chair will then be taken in daily rotation, in French alphabetical order.

6. In conformity with paragraph 74 of the Final Recommendations of the Helsinki Consultations, the Government of Poland will designate an Executive Secretary. This designation will be subject to agreement by the participating States. The services of a technical secretariat will be provided by the host country.

7. Contributions on the subjects for consideration in one or more of the working languages of the CSCE may be sent through the proper channels—preferably not later than three months before the opening of the Symposium—to the Executive Secretary, who will circulate them to the other participating States and to UNESCO.

8. If the Symposium does not reach any agreed conclusions, projects and proposals submitted to it will be forwarded by the government of the host country to the next Follow-up Meeting.

9. The other rules of procedure, the working methods and the scale of distribution for the expenses of the CSCE will, *mutatis mutandis*, be applied to the Symposium.

ANNEX X

Agenda, Timetable and Other Organizational Modalities of the Meetings of the Conference on the Human Dimension of the CSCE

I. AGENDA

1. Formal opening. Address by a representative of the host country.

2. Opening statements by the representatives of the participating States.

3. Exchange of views on the situation in the participating States with regard to respect for all human rights and fundamental freedoms, human contacts and other issues of a related humanitarian character, including the implementation of relevant CSCE commitments.

4. Evaluation of the functioning of the procedures described in paragraphs 1 to 4 and discussion of the information provided according to paragraph 4 of the section dealing with the human dimension of the CSCE in the present Concluding Document.

5. Presentation and consideration of practical proposals for new measures aimed at improving implementation of commitments and co-operation in the human dimension of the CSCE and at enhancing the effectiveness of the above-mentioned procedures.

6. Closing statements by the representatives of the participating States.

7. Formal closure of the Meeting.

II. TIMETABLE AND OTHER ORGANIZATIONAL MODALITIES

1. The first Meeting of the Conference will open on 30 May 1989 at 10.30 a.m. in Paris. It will close on 23 June 1989.

The second Meeting of the Conference will open on 5 June 1990 at 10.30 a.m. in Copenhagen. It will close on 29 June 1990.

The third Meeting of the Conference will open on 10 September 1991 at 10.30 a.m. in Moscow. It will close on 4 October 1991.

2. Agenda items 1, 2, 3, 6 and 7 will be dealt with in Plenary meetings.

3. Agenda items 4 and 5 will be dealt with in Plenary meetings and in Subsidiary Working Bodies:

- Agenda item 4 will be dealt with in Subsidiary Working Body A;

- Agenda item 5 will be dealt with in Subsidiary Working Body B.

4. The meetings of the Plenary will be open unless otherwise decided. The meetings of the Subsidiary Working Bodies will be closed.

5. If it so decides in the Plenary, each Meeting may, on the basis of proposals introduced, consider elaborating and adopting new measures to be implemented upon closure of that Meeting.

6. The Chair at the opening and closing Plenary meetings of each Meeting of the Conference will be taken by a representative of the host country. At the other Plenary meetings the Chair will be taken in daily rotation, in French alphabetical order, starting at the first Meeting with a representative of the Netherlands and continuing at the two subsequent Meetings of the Conference.

7. Opening statements under Agenda item 2 will be made in the following order:

- at the first Meeting: Liechtenstein, France, the German Democratic Republic, Norway, Italy, Malta, the Netherlands, Belgium, Switzerland, Bulgaria, Cyprus, the Union of Soviet Socialist Republics, Poland, Portugal, Turkey, Denmark, Iceland, Hungary, the Federal Republic of Germany, Czechoslovakia, Spain, Sweden, Ireland, the Holy See, Yugoslavia, Finland, Austria, Monaco, Canada, the United Kingdom, Romania, Greece, the United States of America, Luxembourg, San Marino;

- at the second Meeting: San Marino, Greece, Monaco, the Union of Soviet Socialist Republics, Yugoslavia, Czechoslovakia, Belgium, Turkey, Bulgaria, Cyprus, Switzerland, Iceland, the Netherlands, Finland, Luxembourg, Poland, Hungary, the United States of America, Canada, Norway, Portugal, Malta, Ireland, the Holy See, Spain, France, Sweden, the German Democratic Republic, Romania, Italy, the United Kingdom, Denmark, Austria, the Federal Republic of Germany, Liechtenstein;

- at the third Meeting: Luxembourg, Greece, Canada, Belgium, San Marino, the Union of Soviet Socialist Republics, Hungary, Iceland, the German Democratic Republic, Ireland, Bulgaria, Yugoslavia, the United Kingdom, the Netherlands, Denmark, Malta, Sweden, Monaco, Czechoslovakia, Portugal, Poland, Austria, Cyprus, Switzerland, the Holy See, the United States of America, Spain, Italy, Liechtenstein, France, the Federal Republic of Germany, Turkey, Finland, Romania, Norway.

The statements, as a rule, should not exceed 20 minutes per speaker.

8. In conformity with paragraph 74 of the Final Recommendations of the Helsinki Consultations, the Governments of France, Denmark and the Union of Soviet Socialist Republics will designate the Executive Secretary of the respective Meeting. This designation will be subject to agreement by the participating States.

9. The other rules of procedure, the working methods and the scale of distribution of expenses of the CSCE will, *mutatis mutandis*, be applied to the Meetings of the Conference.

Work Programme for the First Meeting of the Conference on the Human Dimension of the CSCE

- From 30 to 31 May 1989, the Plenary will deal with Agenda items 1 and 2.
- From 1 June 1989, the Plenary will deal with Agenda items 3 and 4.
- From 12 June 1989, the Plenary will deal with Agenda item 5.
- From 22 to 23 June 1989, the Plenary will deal with Agenda items 6 and 7.
- From 6 to 14 June 1989, Subsidiary Working Body A will deal with Agenda item 4.
- From 13 to 21 June 1989, Subsidiary Working Body B will deal with Agenda item 5.

ANNEX X

WORK PROGRAMME Conference on the Human Dimension—First Meeting 30 May-23 June 1989

Working Hours: 10.30 a.m.-1 p.m.
3 p.m.-6 p.m.

1st WEEK	Monday 29 May	Tuesday 30 May	Wednesday 31 May	Thursday 1 June	Friday 2 June
Morning		PL	PL	PL	PL
Afternoon		PL	PL	PL	

2nd WEEK	Monday 5 June	Tuesday 6 June	Wednesday 7 June	Thursday 8 June	Friday 9 June
Morning		SWB A	SWB A	SWB A	PL
Afternoon	PL	SWB A	SWB A	SWB A	

3rd WEEK	Monday 12 June	Tuesday 13 June	Wednesday 14 June	Thursday 15 June	Friday 16 June
Morning		SWB A	SWB A	SWB B	PL
Afternoon	PL	SWB B	SWB B	SWB B	

4th WEEK	Monday 19 June	Tuesday 20 June	Wednesday 21 June	Thursday 22 June	Friday 23 June
Morning		SWB B	SWB B	PL	PL
Afternoon	PL	SWB B	SWB B	PL	

**Work Programme for the Second Meeting
of the Conference on the Human
Dimension of the CSCE**

- From 5 to 6 June 1990, the Plenary will deal with Agenda items 1 and 2.

- From 7 June 1990, the Plenary will deal with Agenda items 3 and 4.

- From 18 June 1990, the Plenary will deal with Agenda item 5.

- From 28 to 29 June 1990, the Plenary will deal with Agenda items 6 and 7.

- From 12 to 20 June 1990, Subsidiary Working Body A will deal with Agenda item 4.

- From 19 to 27 June 1990, Subsidiary Working Body B will deal with Agenda item 5.

ANNEX X

**WORK PROGRAMME
Conference on the Human Dimension—Second Meeting
5–29 June 1990**

Working Hours: 10.30 a.m.-1 p.m.
3 p.m.-6 p.m.

1st WEEK	Monday 4 June	Tuesday 5 June	Wednesday 6 June	Thursday 7 June	Friday 8 June
Morning		PL	PL	PL	PL
Afternoon		PL	PL	PL	

2nd WEEK	Monday 11 June	Tuesday 12 June	Wednesday 13 June	Thursday 14 June	Friday 15 June
Morning		SWB A	SWB A	SWB A	PL
Afternoon	PL	SWB A	SWB A	SWB A	

3rd WEEK	Monday 18 June	Tuesday 19 June	Wednesday 20 June	Thursday 21 June	Friday 22 June
Morning		SWB A	SWB A	SWB B	PL
Afternoon	PL	SWB B	SWB B	SWB B	

4th WEEK	Monday 25 June	Tuesday 26 June	Wednesday 27 June	Thursday 28 June	Friday 29 June
Morning		SWB B	SWB B	PL	PL
Afternoon	PL	SWB B	SWB B	PL	

Work Programme for the Third Meeting of the Conference on the Human Dimension of the CSCE

- From 10 to 11 September 1991, the Plenary will deal with Agenda items 1 and 2.
- From 12 September 1991, the Plenary will deal with Agenda items 3 and 4.
- From 23 September 1991, the Plenary will deal with Agenda item 5.
- From 3 to 4 October 1991, the Plenary will deal with Agenda items 6 and 7.
- From 17 to 25 September 1991, Subsidiary Working Body A will deal with Agenda item 4.
- From 24 September to 2 October 1991, Subsidiary Working Body B will deal with Agenda item 5.

ANNEX X

WORK PROGRAMME Conference on the Human Dimension—Third Meeting 10 September–4 October 1991

Working Hours: 10.30 a.m.-1 p.m.
3 p.m.-6 p.m.

1st WEEK	Monday 9 September	Tuesday 10 September	Wednesday 11 September	Thursday 12 September	Friday 13 September
Morning		PL	PL	PL	PL
Afternoon		PL	PL	PL	

2nd WEEK	Monday 16 September	Tuesday 17 September	Wednesday 18 September	Thursday 19 September	Friday 20 September
Morning		SWB A	SWB A	SWB A	PL
Afternoon	PL	SWB A	SWB A	SWB A	

3rd WEEK	Monday 23 September	Tuesday 24 September	Wednesday 25 September	Thursday 26 September	Friday 27 September
Morning		SWB A	SWB A	SWB B	PL
Afternoon	PL	SWB B	SWB B	SWB B	

4th WEEK	Monday 30 September	Tuesday 1 October	Wednesday 2 October	Thursday 3 October	Friday 4 October
Morning		SWB B	SWB B	PL	PL
Afternoon	PL	SWB B	SWB B	PL	

ANNEX XI

Chairman's Statement

ON THE OPENNESS AND ACCESS TO THE CSCE FOLLOW-UP MEETINGS MENTIONED IN THE VIENNA CONCLUDING DOCUMENT

The practices of openness and access to CSCE meetings based on the relevant provisions of the Final Act and applied by host countries, have evolved in a positive way. These practices relate, *inter alia*, to access to the host State, to the venue and to open sessions of CSCE meetings for representatives of the media, representatives of non-governmental organizations or religious groups and private individuals, both nationals and foreigners; unimpeded contacts between delegates or visitors and citizens of the host State; respect for CSCE-related activities, including the holding of peaceful gatherings; and for the freedom of journalists to report without hindrance as well as to pursue their professional activity in conformity with CSCE commitments. In the light of that experience, all participating States understand that governments of host countries for the CSCE Follow-up Meeting mentioned in the Vienna Concluding Document will follow and build upon these practices as they were most recently applied at the Vienna Meeting.

SECRETARY'S ADDRESS,
JAN. 17, 1989¹

Today, the Vienna conference is added to the series of meetings that began with Helsinki. At Helsinki our governments first pledged to honor commitments to each other and toward our peoples—commitments aimed at creating an ever more free, prosperous, and secure Europe. Fortunately for us all, our citizens—through times of tension, discord, and disappointment—have held fast to the brighter vision of the future promised in Helsinki. And by doing so, they have turned that promise into a positive force for change. This process has helped to shape Europe's future.

The document that we have adopted here in Vienna gives the most complete expression to date of the principles set forth in Helsinki. It adds a new dimension to what President Reagan called in his speech in Finlandia Hall last spring "a map through the wilderness of mutual hostility." Yet there is still a great distance to go. CSCE can succeed only if we deal with the realities that have brought us to Helsinki and Belgrade and Madrid and Vienna.

We are still living with the legacy of the cold war. It was no mirage. It was the product of attempts to impose political systems on the peoples of Eastern Europe by force; to close borders; to close economies; to restrict the flow of information; to deny freedom of choice. The results of these policies are still with us: the social and political division of Europe, the militarization of East-West relations, the pursuit of two dramatically different economic models, and the emergence of two fundamentally distinct kinds of political and social organization—one in which the citizen is dominated by the state, the other in which the citizen defines and guides state power.

Yet the world is entering a period of great promise, one in which we can lessen the dangers of war through an end to expansionism and by processes of arms reduction and control; one of opportunity for those countries prepared to support and expand an open international economic system; one in which international cooperation is essential to tackle common threats, such as the spread of chemical weapons, terrorism, and narcotics trafficking. And

most important, we are entering a period in which respect for human rights is gaining ground—in which it is becoming clear to all that the preeminence of the individual and respect for his fundamental freedoms are the hallmarks of successful societies.

Vienna's Legacy of Openness

The way forward in East-West relations is through deeds not words, performance not promises. That is why from the outset, the United States has stressed in CSCE the central importance of implementation. And if the implementation is at the heart of the whole Helsinki process, then openness is its lifeblood.

The European Continent, across its length and breadth, is much more open today than it was when we first assembled in Vienna in November 1986. In the 2 years of the Vienna meeting, the picture in the Soviet Union and some countries of Eastern Europe has brightened in significant respects. But dark areas remain where the light of openness has yet to reach.

- The jamming of radio broadcasts has stopped. Now all of our citizens can hear competing views and decide for themselves what is the truth. Our concluding document commits all to the continued openness of the airwaves. Why not now go further and dismantle all existing jamming devices?

- In the Soviet Union, the prison gates have opened for more than 600 prisoners of conscience, including the remaining Helsinki monitors; minorities, dissidents, and religious believers are freer to assert their rights and in some cases are gaining ground. Yet others continue to suffer repression or remain unjustly imprisoned for acting upon their rights. We cannot forget them.

- There is new openness in the greater freedom of expression and assembly in countries where these basic rights have been denied. We welcome progress to date in Hungary, Poland, and the Soviet Union and hope to see more. Yet we regret the timidity of the German Democratic Republic, Romania, Bulgaria, and Czechoslovakia in not taking similar steps.

- Only Sunday, but 1 hour after the adoption of the Vienna concluding document and in direct violation of the commitments just solemnly given by the Government of Czechoslovakia, riot police trained rubber truncheons, tear gas, and water cannon on participants in peaceful demonstrations in Prague. Reportedly, 91 demonstrators were detained.

And the same day—the day the Vienna concluding document was adopted—we were told the authorities of the German Democratic Republic detained 190 human rights activists demonstrating in Leipzig. As in Prague, most appear to have been released, but at least night some remained in custody—in glaring contradiction to the solemn international commitment being made at almost the same hour.

- In Romania the economic and social conditions as well as the political and civil rights of all citizens are being eroded at a discouraging rate. And in both Romania and Bulgaria, minorities have been particularly hard hit by government policies of recent years.

- There is greater openness in the free movement of peoples. Last year more than 7 million East Germans visited the West, and more than 5 million West Germans visited the German Democratic Republic—record numbers in both directions. Moreover last year, according to the information we now have, approximately 77,000 people emigrated from the Soviet Union, and many more—including Andrey Sakharov—were allowed to visit abroad. Yet we still look for full recognition of the right to freedom of movement throughout the Eastern signatory states.

- Full implementation of the commitments we have made to guarantee the right of everyone "to leave his country" will lead to a more open Europe in the years ahead. We have agreed here reasonable time limits on decisions on applications for foreign travel. And the signatory states have agreed to reduce the frequency and capriciousness of refusing travel on security grounds.

- We expect greater openness to be encouraged by implementation of the Vienna commitments regarding the rapid and unhindered delivery of mail as well as those concerning respect for the privacy and integrity of postal and telephone communications.

- And the openness of the Vienna meeting itself—a tribute to our Austrian hosts as well as to the CSCE process—has been set as the precedent for the conduct of future meetings. The Vienna document commits all host countries—France, Denmark, the Soviet Union, Malta, Poland, the United Kingdom, Spain, Bulgaria, Austria, the Federal Republic of Germany, Finland—to provide access for foreign journalists, nongovernmental organizations, and individuals and to allow their own citizens unimpeded contacts with delegates and visitors.

In sum the steadfast call for compliance and openness that we sounded so clearly and strongly here in Vienna has accelerated and consolidated changes for the better, changes that will tangibly affect the daily lives of millions of people—their hopes, their rights, their future. The Vienna concluding document, which each of our governments has committed itself to publish in its entirety, can be an engine for continuing change, as, indeed, was the Helsinki Final Act.

A Beginning, Not an End

Thus, the Vienna meeting marks not the end of our journey from Helsinki but a new beginning. The great American poet Robert Frost could just as well have been describing the scenery around Vienna as his native New England:

The woods are lovely, dark and deep,
but we have promises to keep,
and miles to go before we sleep,
and miles to go before we sleep.

We have a long way to go to achieve real peace in Europe—a lasting peace based on the rights of man, the rule of law, and the integrity of free and self-determining states. It is a challenge to us to go that distance. What we have done here in Vienna shows that we want and intend to meet that challenge. The comprehensive human rights agenda recognized at Vienna is a major aspect of our new beginning.

Vienna marks another new beginning as well—the beginning of major conventional arms control negotiations. In a few weeks, the 35-nation follow-on negotiation on confidence- and security-building measures will extend the work of the Stockholm conference, which pioneered the concept of openness in the

military sphere. Also 23 of our states will launch an autonomous negotiation in the framework of the CSCE process aimed at achieving stability in conventional armed forces in Europe.

Between Vienna and Helsinki in 1992, there will be a number of meetings which can illuminate areas of East-West cooperation—or continuing difficulty: information, economics, the environment, the Mediterranean, culture, peaceful settlement of disputes, and—most important—human rights. The Vienna meeting has created a mechanism permitting any country to raise any human rights issue with any other country at any time. This mechanism, coupled with the Paris, Copenhagen, and Moscow meetings, will give us a continuous process of human rights review.

Moreover, the Helsinki process will continue to play an important part in reflecting and shaping the European condition. Individual initiative, ingenuity, the free flow of information, ideas, and people are the qualities that best equip nations to meet the challenges and opportunities of the future. These are the ideals of the Helsinki Final Act. The success of the Helsinki process will be measured by how well those ideals are woven into the fabric of international life.

We are already witnessing movement in the right direction. Today, we find broader acceptance of the proposition that in our increasingly interdependent world, national security cannot be fully measured or even really achieved through military means alone. Military might can secure a kind of peace, but it is peace without peace of mind. And overwhelming military strength brings no lasting security if it comes at the terrible expense of international tension and great cost to national growth. Only weeks ago, we heard President Gorbachev say at the United Nations that "one-sided reliance on military power ultimately weakens other components of national security."

Moreover, the realization has increasingly dawned that the freeing of market forces and human creativity is the real basis for sustained prosperity and national success. Our own confidence in the vitality of free societies and open markets is strong and firmly based on our own experience and our observation of the experience of others.

The Continuing Challenge of Compliance

I came to Europe for the first time as Secretary of State more than 6 years ago. I came as a friend of Europe, a believer in the greatness of Europe. I will go home to California after this, my final official visit, more convinced than ever of that view.

Sons and daughters of Europe founded my country and built a society on ideas derived from Locke, Montesquieu, and Rousseau. In fact America has never been far from Europe, and never closer than we are today. History, language, and traditions form a common strand—a strand that links every country here to all the rest. But, above all, it is the power of the democratic ideas—ideas which reverberated on both sides of the Atlantic 200 years ago and turned the world upside down—that continue to unite our peoples and give direction to Europe's destiny.

When I addressed the opening session of this meeting in 1986, I looked ahead to the day when all the peoples in the CSCE community would share in a spirit of openness and creativity—the day when we all could participate in a release of intellectual and social energy. Through the work of this meeting, I believe that we have come closer to the day I described—not through the mere passage of time but because we have narrowed the distance between promise and performance, word and deed. But a great distance still remains to be bridged.

I would recall again for you the famous words of Pushkin, who wrote that in 1703 Peter the Great "broke a window through to Europe." This image fits the work of Vienna. The Helsinki process has helped to open windows and doors of understanding and helpful lines of communication. And, for many men and women, it has helped to open the gates of freedom. We must keep this process of openness going in both directions. We know that many more barriers between East and West have yet to be broken through—whether they be physical barriers like the Berlin Wall, inflexible economic systems, daunting bureaucratic impediments to freedom of movement and expression, or rigid habits of thinking.

May I leave you with a personal thought about CSCE? During my tenure as Secretary of State, I have come to these meetings and have met with colleagues on their periphery. And wherever else I have gone—to the

United Nations or elsewhere in the world, not just Europe—I have rubbed elbows with people who in one way or another are involved and interested in this process. Those with whom I have met did not always share my country's views on the issues of the day. Often, absent the tie with CSCE, there would have been no occasion for us to meet in the first place. Nor would there have been much common ground on which to base a discussion. Yet CSCE provided that first link that eased the conversation along.

This certainly was the case when [Soviet] Foreign Minister Shevardnadze and I met for the first time. As you may remember, we got acquainted during the Helsinki 10th anniversary commemoration. My wife and I decided we must get to know the Shevardnadzes as human beings, whatever our political differences might be. They must have taken the same view. We have done so, and each have met the other's children and grandchildren—in other words, our common future. This human contact is in many respects the very essence of the CSCE process. So CSCE helped us to get the ball rolling and get down to constructive work. Since that day, we haven't always agreed, but we have always engaged. I am sure that all of you here have had similar experiences. And I believe that the opportunities CSCE offers for that unique kind of human contact is another important reason why this process is so useful.

During the course of the Vienna meeting, the people and Government of Austria have given us all many reasons to feel welcome. Their hospitality has afforded us many opportunities to work together and get to know one another in an atmosphere of special warmth. On behalf of the American people and President Reagan, I wish to thank the people and Government of Austria most sincerely.

Now, as we face the new challenges we have set for ourselves in Vienna, my government is in a period of democratic transition and renewal. Yet I can assure you all here today that President-elect Bush, his government, and the American people will be playing an active and constructive role in this process in the years ahead. As we have from the beginning, the United States will continue to work for the day when at last that great objective of the Helsinki process is realized—the day when Europe is free, secure, open, and whole.

SECRETARY'S NEWS CONFERENCE, JAN. 17, 1989⁵

Q. Would you tell us, please, about your meeting with German Foreign Minister Genscher, particularly whether you had anything to say about the way the Germans have slowly admitted what they seem to have known a long time ago about the Libyan chemical weapons plant?

A. That subject didn't come up in our conversation. We talked about other things, so I don't have any comment on that.

Q. Do you think there can be a real freedom here in Europe so long as the Berlin Wall exists, and do you see any progress toward getting it removed?

A. There has been tremendous progress in Europe, but the Berlin Wall remains the symbol of the division of Europe, an inhumane structure and something that functionally separates people. In the end, that's the sort of thing that has to come down. Nevertheless, though it's still there, great progress has been made, and I tried in detail that in my talk just now.

Q. Concerning the U.S. decision to agree to a Moscow follow-up meeting in 1991, could you tell us first of all, under what circumstances, if at all, the United States should consider not going in 1991, and secondly, whether in the course of making the decision if you agreed to it, have you consulted with members of the new Washington Administration and obtained their viewpoints?

A. First of all, on the decision to agree to the conference, we felt the considerations we had set out for people to look at had been well taken into account. We had seen performance, and we also were assured of continuing performance; not just a lack of rhetoric continuing performance. Of course, we will be watching for that, and we think the Moscow human rights conference an opportunity, and we expect to go there, and we expect it to be operated in the same manner as all the other conferences.

Nongovernmental organizations, individuals, will be able to go, and they will have access, Soviet people will have access to them, and I think that's a good thing. We have been counseled [inaudible] by Mr. Sakharov [Soviet dissident] to take this view. I think it is a good decision, obviously, and we said

his to the Soviet Government. If there is a retrogression of some sort or a lack of real progress, then no doubt the American Government won't send a delegation. But we expect to go, because we expect to see continued progress.

Q. Did you consult with members of the Bush Administration [on the Moscow decision]?

A. We tried to keep them posted on all these things, of course, but President-elect Bush is also Vice President Bush. He's a member of this Administration, and so he is well informed about what is going on, but I don't want, in any way, to seem to speak for him.

Q. You were just very critical of the Prague police [for recent crackdowns on demonstrators]. Does that undermine the credibility, in your opinion, of the Vienna document itself for them to have behaved the way they did last Sunday?

A. It would if we didn't speak up about it. And the whole problem here on the beginning is this: Is it worthwhile to set up a standard and get people to associate themselves with it by signing? And our answer to that question in Helsinki in 1975 was "yes." Our answer in Madrid was "yes." Our answer here is "yes." Why? Because we think you put that standard up there, there's the performance; there has been a long distance between the diplomacy and the performance and now you have brought that reality up to the promise.

If you measure where we are today with where we were in 1975, I think you see a big improvement. In fact, I think if you measure where we are today with where we were when this conference started, you see a big improvement. But you also see that promise is still way ahead of reality, and that's what we have to keep in mind in quoting that wonderful poem by Robert Frost—"we have promises to keep and miles to go before we sleep." We have made progress, but we have a long distance to go before we can have the kind of stable and secure and whole Europe we all desire.

Q. You said you had discussed the Libyan plant with Foreign Minister Genscher. From what you could tell us, the German Government has acknowledged so far only that it has seen indications of West German companies' participation in building this

plant. Given the detailed information that the American Government says it has, how long do you expect it will take the German Government to get more than just indications of such participation in building this plant?

A. We have been assured by the key people in the German Government—the Chancellor, the Foreign Minister, and most recently the Finance Minister—of the seriousness with which the German Government takes this issue. They are investigating it carefully; if they find their legal structure is such that undesirable things are happening without an ability of the government to do anything about it, they will try to change those laws. They have given us assurances of their seriousness of purpose here, and I take those assurances very seriously.

Q. Do you think that prosecution in this case is the only thing that will send a message to companies?

A. I don't want to comment on the internal German judicial processes and how they're going to go about this issue. But we believe in the United States as we've said, and I believe, having reviewed our evidence, there is no question whatever that Qadhafi is trying to equip himself with a major chemical weapons production facility. And he hasn't quite got there yet. He needs aid from the outside in order to get there. We're trying to do everything we can to throw every conceivable monkey wrench we can find into his machinery. And in doing so, I think we're acting on your behalf as well as my behalf. I don't want poison gas dumped on me. Do you? And I don't want Qadhafi to have it or to have the ability to give it to some terrorists. That's why we're struggling so hard at this issue.

Furthermore, it's an important element in the fight against the proliferation of chemical weapons. We had a very productive and impressive conference in Paris. I might say the French did a beautiful job of running it. And, of course, when people consider this issue, we dwell on the difficulty of verification, and it is difficult to verify certain things. You can drive yourself crazy looking at things people could do that would deceive you.

But, the fact is that the intelligence agencies around the world know a great deal about who is producing chemical weapons, where they're producing the chemical weapons. We even know when people have tried to do it in a very deceptive manner, and we have

been able to trace through the different front companies and all of that. So you can find out about the deception.

Now what we have to say is, verification is difficult, but when you have something that's verifiable and identifiable, then the next question is, will you do something about it? And so we are engaged here in a consciousness-raising operation on something I think is very important. And don't forget; it's not only chemical weapons, it's biological weapons. These things are terrible as far as mankind is concerned.

Q. In your speech just now, did you speak up about Romanian refusal to implement certain parts of the [CSCE] final document? Is the United States letting Romania get away with it?

A. No, I speak up about everything I can lay my hands on to speak up about. And if there's something I missed, I'm glad to have it inserted in the record.

But within the framework of a short speech, I think we rang all the changes. But you've got to take this both ways. There has been very great progress, but there is still a long distance to go. The progress is uneven, and it's much more in some countries than in others. I tried to differentiate that out—who is plus and who is minus and who is still at the starting gate.

Q. But a refusal to observe commitments is something else—

A. Yes, I think it has to be racked up. I think they have been changing their mind as to what they will openly say. But anyway, you have to keep calling these things as you see them, and that's exactly what we try to do.

Q. Are you planning to make use of the new mechanism [of monitoring implementation of CSCE commitments]?

A. The new mechanism gives us a right and others a right to call attention and work on any human rights issue in any country at any time, plus the three human rights conferences. Those things taken together give us—us meaning all of us together—an important way of continuing the hard work that we all have been doing on this subject for all these years.

Q. Would you please explain some kind of contradictions which are the common will of disarmament [sic] on the lower level in Europe,

where it's going on in NATO countries about the reconstruction of arms in Europe? Can't you see the contradiction between those two lines of thinking?

A. No, I don't, and I notice as I look across at the other side, that people who have military capability and feel they need it want it to be up to date. We do. At the same time, we want to find ourselves in a forum where we can really bring the levels of armaments down. Since the force levels on key offensive kinds of arms are so heavily disproportionately higher in the Warsaw Pact countries than they are in NATO, obviously there's going to have to be a deep asymmetry in those cuts. So let's get at it. But in the meantime, we're going to keep the armaments we have up to date.

Q. As you look back at your public office, what kind of assessment would you give of the impact that Mr. Gorbachev has made on East-West relations?

A. I think there has been a flow of events that has clearly improved matters greatly. There are many factors involved, and I give the strong and steadfast policies of President Reagan and the coherence of the NATO allies and others around the world who have carried the banner of freedom great credit for continuing that battle steadily.

Mr. Gorbachev has been a very strong creative person in this. And so we have welcomed the moves he has made and the changes he is bringing about inside the Soviet Union. He has made his contribution so, yes, I'm ready to say there's a good thing there.

Q. What concrete accomplishments can be expected as a result of this conference in the relations between the blocs, between the states, and for the lives of the people?

A. First of all, the CSCE process has a kind of implicit agenda underneath it of wanting to eliminate bloc thinking, of wanting people to interact together freely. As I said earlier, if you compare now with 1975, there is distinct improvement in that regard. We just discussed a response to a question I did on the conventional arms negotiations. If in the bloc-to-bloc negotiations we can see a reduction in conventional arms, that will be good for security, good for peace of mind; it will reduce the expense of the armaments. That will be a positive development if it can be brought about.

Now the human rights, obviously, cuts across all the countries, not just the two blocs, and so I'll just refer to the comment I made earlier. We also see addressed problems of culture, problems of environment, the Mediterranean, economic matters; in other words things that are cross-cut matters that affect the bloc countries but others as well.

Q. What makes you believe that the conventional stability talks that will begin in March of this year will be a "greater success" than MBFR [mutual and balanced force reductions]?

A. I suppose a flip answer would be that they don't have to be very successful to be more successful. But I think the MBFR talks, with all of the difficulty they had, they have been in the end rather illuminating and have caused people to think about what will work and what doesn't seem to work very well as an approach to these issues. So I have some genuine optimism about the prospects of the new conventional arms talks, with all due respect to the problems involved and the uncertainties involved, because I think we have all learned something from MBFR.

U.S., Soviet Union Exchange New Year's Messages

The following remarks by President Reagan and President Gorbachev were televised in the Soviet Union and the United States on January 1, 1989.¹

President Reagan²

On behalf of the American people, I send you greetings on the coming of the New Year.

In your country and mine, the New Year is a time of hope and renewal. Never have these qualities of the spirit been more necessary than now, as Soviet Armenia begins to heal from its wounds. You have our deepest sympathy. You have our prayers. And you have a personal hope from my wife, Nancy, and me that in the effort to rebuild what was shattered, you will find your solace.

I am confident that relations between our two countries will continue on the positive course they have followed in the year just ending. And despite our disagreements, we have been able to find some common ground.

The units of account are different. The geographic concept is different and more inclusive. The countries are different. And we and NATO will approach this with, I think, a very interesting and creative proposal. We're ready.

So that shows there is a wheel to engage and try to do something about this. I think the conditions are a little different, the concept is different, the units of account are more easy to work with. I think the prospects are much better, even though I would readily acknowledge any of these negotiations is tough, and it takes a long, hard way and nobody should expect some immediate result. But it does look a little better.

¹It is understood that the invitation to UNEP includes ROCC (Regional Oil Combating Center) and MAP (Mediterranean Action Plan) [text in original].

²Conventional Armed Forces include conventional armaments and equipment [text in original].

³The participants will be guided by the language on non-circumvention as set out in the section on Objectives and Methods [text in original].

⁴Press release 5.

⁵Press release 6. ■

When I visited Moscow and met with President Gorbachev, we advanced our mutual understanding on the vital issues of human rights, arms reduction, regional problems, and bilateral relations. Although much remains to be done, we're making progress in all of those areas. In Moscow we signed the documents of ratification for the treaty eliminating an entire class of U.S. and Soviet intermediate-range nuclear missiles, and the implementation of that historic treaty has proceeded smoothly. Soviet and American negotiators continued to discuss a 50% reduction in strategic nuclear weapons. And we are preparing to enter into new negotiations about conventional military force in Europe. President Gorbachev, during his recent speech to the United Nations, announced significant reduction in Soviet conventional forces. This is certainly a step in the right direction, correcting the imbalances in the European military situation, but much more remains to be done. Thus while much

as been accomplished in the area of arms control and reductions, we must continue efforts to ensure a lasting peace.

In human rights, progress is being made in reunification of families, freedom of people to travel as they please, and in other areas. The cessation of armaments is also a positive step; for if we're to understand each other better, we must be able to talk freely with each other and listen freely as well. In bilateral relations—for example in cultural and educational exchanges—improvements mean that the barriers that artificially separated our peoples are slowly being lowered. And in regional issues, from Afghanistan to the Persian Gulf and southern Africa, solutions are being found to conflicts of many years' standing. Perhaps your country will find ours in the effort to bring peace, democracy, and security to Central America.

In all of these areas, these improvements represent only a beginning on a long, difficult road to better understanding and cooperation. We are ready to continue moving along this road. Important differences remain between our countries and will continue for years to come. But I am confident that we have been witness in 1988 to progress that, if we are careful and diligent, will continue next year and during the years to come.

President Gorbachev's visit to New York—cut short by the catastrophe in Armenia—gave us a chance to meet face more during my term as President. On January 20, George Bush will be sworn in as my successor. The American people have chosen him in part because he represents continuity in the policies, foreign and domestic, that the United States has pursued over the past 8 years. I know that Mr. Bush will continue on the same course with equal commitment.

This is my final message to you as President, and so let me close by saying this: I believe the world is safer than it was a year ago, and I pray it will be safer still a year from now. I wish you, the Soviet people, well in the New Year. Thank you, and may God bless you and keep you all the days of your life.

President Gorbachev³

In this first day of the New Year, I am pleased to have the opportunity to convey, on behalf of the Soviet people and on my own behalf, our best wishes to

the American people and to every American family.

Seeing out a year gone by and ushering in a new year is always a moving experience. Each time we take stock of the past year—happy about some things, sad about others, and hoping that many of our concerns will be left behind as we cross the threshold of the year and that our wishes will be fulfilled in the coming year.

Last year was rich in momentous events. It also brought many good changes in relations between our peoples and countries. Today they are more dynamic and more humane. We have become closer, and we have come to know each other better. Americans seem to be rediscovering the Soviet Union, and we are rediscovering America. Fears and suspicions are gradually giving way to trust and feelings of mutual liking. I could see all of this for myself in my meetings with Americans in Washington and, quite recently, in New York. We regard the warmth and good will shown to the Soviet delegation during those days as something very important for our relations. I think President Reagan, too, will remember his meeting with the Soviet people during his visit to the Soviet Union.

We in the Soviet Union are in favor of the most wide-ranging ties between our peoples; I hope you are, too. And that means we can look ahead with optimism to the future of our relations. This is what we talked about with President-elect Bush.

Nineteen eighty-eight is memorable for all of us as a year when we began reducing the most terrifying nuclear weapons. That alone is enough for it to go down in history as a landmark, a great turning point in world affairs. Many other facts, too, prove that changes for the better, very important for all of us, are taking place in the world. The Afghan issue is close to a settlement. Hostilities have ceased between Iran and Iraq. Real opportunities are emerging for resolving painful and complex issues in Southeast Asia and southern Africa. The situation in the Middle East is also changing. All this is very encouraging.

And let me mention one thing in particular. You know how much misfortune and suffering was caused by the earthquake in Armenia, how great was the human tragedy it wrought. I went to see the ruins of the devastated Armenian towns. You can't even look at what the forces of nature have done without shuddering. All Soviet people

took the misfortune of the people of Armenia as their own. In this hour of grief, they extended a helping hand to them, as brothers. The devastated towns and villages will be reborn—that is the will of all the peoples of the Soviet Union. Armenia's tragedy has evoked great sympathy throughout the world. We are grateful to the American people and to all peoples who have come to our aid.

Seeing all this, one cannot help thinking that all people who live on this Earth, all of us, however different, are really one family. I am sure we will find enough wisdom and good will to establish together a true period of peace for all humankind. If we are capable of a new way of feeling, then we must surely be capable of a new way of thinking. If we are capable of a new way of thinking, then instead of merely surviving, we can live in a new way—on the basis of equal rights, justice, trust, humanism, and wide-ranging cooperation. This is the message I wanted to convey in addressing the United Nations in New York.

There are, of course, still many problems in the world, and they are intricate and complex. But that only heightens the need to solve them together—as we say in our country, with everyone pitching in. It is good that we understand this and, moreover, that we are taking the first steps in that direction. Both our countries have a lot of problems. Quite naturally you know your problems better, and we know ours. We intend to solve our problems in the course of *perestroika*. But the Soviet Union and the United States also have some common problems. I am convinced that today, on the basis of growing mutual understanding and trust, we can solve them better than we could yesterday.

Once again, I salute you, citizens of a great nation. Once again, I wish all of you peace, good health, and well-being. May there be more happiness and joy in your life. May your best hopes be fulfilled. May our common achievements shine brighter and brighter, filling every Soviet and American home and all our planet with an abiding will for peace, development, and construction.

A Happy New Year!

¹Text from Weekly Compilation of Presidential Documents of Jan. 9, 1989.

²President Reagan's remarks were recorded on Dec. 15, 1988.

³President Gorbachev's remarks follow the official translation in the White House press release. ■

Chancellor Kohl's Visit



(White House photo by Mary Anne Fackelman-Minor)

Chancellor Helmut Kohl of the Federal Republic of Germany made an official working visit to Washington, D.C., November 15, 1988, to meet with President Reagan and other government officials.

Following are remarks by the President and the Chancellor after their meeting.¹

President Reagan

I have just completed a highly useful and productive discussion with Chancellor Kohl, on this, the sixth anniversary of his first visit to the White House as Chancellor of the Federal Republic of Germany. The many conversations we've had together demonstrate not only the close ties that exist between the Federal Republic of Germany and the United States but the warm personal relationship that has developed between us. Chancellor Kohl is a close friend of the United States. His views are greatly valued, and his commitment and personal efforts to strengthen German-American ties have made an enormous difference in the relationship between the United States and West Germany.

Today we reviewed a broad range of important international issues. We discussed how our two countries, working together and within the NATO alliance, could advance the cause of peace and freedom.

The Chancellor briefed me on his recent visit to Moscow. We agreed that important progress has been made in East-West relations but that much still remains to be done—in arms control, in ending regional conflicts, and with re-

spect to human rights. We also noted that the Vienna Conference on Security and Cooperation in Europe (CSCE), which is entering its final stage, required a balanced and substantive outcome.

I reaffirmed the strong American commitment to Berlin and underscored our determination to pursue the Berlin initiative I first outlined in June of 1987 when I spoke at the Berlin Wall. That divided city of Berlin remains a powerful symbol of a divided Europe and a litmus test of East-West relations.

We reviewed the positive state of the NATO alliance. While seeking security and stability at lower levels of armaments, the United States and West Germany, together with our allies, will ensure that our conventional and nuclear forces are kept up to date. We also agreed that, for the foreseeable future, there is no viable alternative to NATO's defense strategy of deterrence based on flexible response and a forward defense. The Chancellor voiced support for an international conference on chemical weapons, and we reaffirmed our common goal of negotiating a global ban on these terrible weapons.

West Germany and the United States continue to seek ways to share early the risks, burdens, and responsibilities, as well as the benefits, of our common defense. We reviewed the difficulties each country faces in doing more but pledged we would each do our fair share. In this regard, I paid special tribute to the German people for the sacrifices they bear on the front line of freedom, which is also America's front line of defense, and reiterated my condolences for the victims of the tragedy at the Ramstein air show last August.

We also reviewed trade and economic issues. Both the Chancellor and expressed satisfaction with the present state of the world economy. I congratulated the Chancellor on the decision of the European Community member states to take major steps toward closer economic integration by the end of 1992 and expressed our concern that this be done in a manner that promotes fair trade internationally. We agreed that trade protectionism must be avoided and reiterated our support for an amicable resolution of the U.S. and European Community trade issues and for real progress during the midterm review of the Uruguay Round trade negotiations. I'll have something more to say on that point later in the week.

Helmut, this marks my last meeting as President with you. Six years ago, we stood together as I announced the formation of a Presidential commission to commemorate the tricentennial of the first German settlement in the United States. Six years to the day, I'm proud to announce a product of that commission: the dedication of a garden here in Washington as a symbol of the friendship between our two countries. In a few months, I'll be leaving the White House, but the garden, and all it represents, will remain, to be nurtured and sustained by the friendship between Germans and Americans and by the leadership that you have provided. I'm asking Charles Wick, the Director of the U.S. Information Agency, to represent me today at the dedication of the German-American Friendship Garden.

And, Helmut, I hope you will convey to the German people my personal thanks for their prayers and support over the past 8 years. And let me just add a final personal word to you for your friendship and counsel. Thank you, Helmut, and may God bless you, and may God bless our two great nations.

Chancellor Kohl²

Allow me to thank you, first of all, Mr. President, for the warm words of friendship which you have found for my country. The friendship between the United States of America and the Federal Republic of Germany is of existential importance to our country. It has always been that way, and it will remain so in the future. It was the idea of freedom which brought us together, and today, more than ever, we know how important it is to stand together to defend our freedom and unity.

Dear Ron, you already mentioned this. Today I met with you for the last time during your term of office. For years, we have worked together excellently. Our meetings have always been meetings between friends. And I would like to thank you from all my heart for this personal contact and personal friendship which we have, for the exchange of experiences and views which we had, and also for the friendship which the elder statesmen gave to the younger statesmen. During our respective terms of office, the relations between Bonn and Washington have become ever closer. And one of the hallmarks of this cooperation has been the fair and open consultation about all matters interesting us over all these years.

Let me cite as an example the alliance consultations parallel to the U.S.-Soviet INF [intermediate-range nuclear forces] negotiations. They were absolutely crucial to the success of the negotiations. I should also, of course, like to thank you, Mr. President, for your bold and resolute commitment to improving East-West relations. Any kind of worsening of the situation between East and West will be felt like an earthquake in our country, in the Federal Republic of Germany, and, of course, first of all in Berlin. I should like to thank you very much also for the sympathy and the interest which you have always shown to us and to the interests of our country, which is a divided country, of course. And your speech very near to the Berlin Wall, at the Brandenburg Gate, is unforgettable to all of us. This wasn't only just a speech, but it showed a very personal commitment to the cause of Berlin.

During your two visits to the Federal Republic of Germany, you have always also raised the issue of human contacts between the United States and the Federal Republic of Germany, and you also paid particular tribute to the contributions which those citizens of the United States of German origin have made to this country. And you've pointed out that these people sort of have had built a human bridge between the two countries.

In 1987, and this year too, you declared the 6th of October German-American Day. Today, dear Ron, as you also pointed out, the German-American Friendship Garden is being opened not far from here in Washington. If Charles F. Wick and Ambassador Ruhfus go there on your behalf, representing us to inaugurate and open up this Friendship

Garden, I think this is a show of friendship and of solidarity which will have validity for the future. I should like to thank all of those who were involved in making this sign of our friendship and solidarity possible here in the city of Washington.

I think we can say—we can put it very briefly and say—these have been good years. I think that both of us have paved the way for development which will be pursued by your successor in office. And I should, at the end of my remarks, mention one important example. I should like to mention the agreement and the commitment which we have made to exchange young people—

students but also other young people—who travel from your country to our country and from our country to your country. That is to say, we try to plant young trees so that a strong forest may grow, which serves as a shade for all of us.

Once again, from all my heart, thank you for all you did, and God bless you in all you do.

¹Made at the South Portico of the White House (text from Weekly Compilation of Presidential Documents of Nov. 21, 1988).

²Chancellor Kohl spoke in German, and his remarks were translated by an interpreter. ■

Prime Minister Thatcher's Visit



White House photo by Susan Biddle

Prime Minister Margaret Thatcher of the United Kingdom of Great Britain and Northern Ireland made an official visit to Washington, D.C., November 15-17, 1988, to meet with President Reagan and other government officials.

Following are remarks made by the President and the Prime Minister after their meeting November 16.¹

President Reagan

Prime Minister Thatcher, here is a story from our Old West. It's said that a cowboy went out riding one day and suddenly stumbled into the Grand Canyon. And he's supposed to have said, "Wow, something sure has happened here." [Laughter] When we contemplate the world as it is today and how it

was when we first met here 8 years ago, we, too, have a right to say: Something sure has happened.

When we first met on these grounds in 1981, economic crises beset both our countries. Inflation and unemployment were reaching dangerously disruptive levels. The aggressive designs of squalid dictators, large and small, were seen everywhere. Totalitarian expansion was underway on four continents. Terrorism was growing. And in the face of the most massive arms buildup in human history, our own defenses had fallen into disrepair and decline. A new nuclear missile was aimed at Europe and Asia. There was talk of unilateral cutbacks and American withdrawals and nuclear freezes

and questions about the alliance. Our alliance, the great alliance built with such difficulty and daring since the last World War, was in grave danger. All of these problems spoke to an even deeper crisis—a crisis of faith, a crisis of will among the democracies. Here in our own nation, there were those who questioned whether our democratic institutions could survive, whether the modern world had made them obsolete.

Now it's changed. Now the excitement and vigor and energy in the world are with the cause of freedom. As the United States and Great Britain and other free nations have prospered, we have seen an almost Newtonian revolution in the science of economics. We are learning that the way to prosperity is not more bureaucracy and redistribution of wealth but less government and more freedom for the entrepreneur and for the creativity of the individual.

Change—extraordinary change—has come upon the world. And that's why at this moment, we're especially glad to be welcoming you here to our shores and to have this opportunity to acknowledge the special role that you and the people of Great Britain have made in achieving this remarkable change.

It was my privilege last June, shortly after my return from Moscow, to note in a speech at Guildhall your extraordinary role in the revitalization of freedom. Today, in welcoming you to these shores, I and the American people again restate our gratitude. In the critical hour, Margaret Thatcher and the people of Great Britain stood fast in freedom's defense and upheld all the noblest of your island nation's traditions; yours was the part of courage and resolve and vision.

Bismarck reflected once that the supreme fact of the 19th century was that Great Britain and the United States shared the same language. And surely future historians will note that a supreme fact of this century was that Great Britain and the United States shared the same cause: the cause of human freedom. And together we've come a long way in striving for that cause. Even in the terrible disappointment following the last World War, when we

realized all we had striven for in that great conflict, world peace and freedom, would once again elude us and that we would have to begin again and stand together again in facing the menace of war and totalitarian tyranny, even then we did not lose heart.

And stand together we have. When first you were here, Prime Minister Thatcher, we referred to a "decade fraught with danger." We can hope today that in meeting those dangers, we have transformed this decade into a turning point, a turning point for our age and for all time.

In continuing this work, it is profoundly reassuring to me and to all who care about freedom that you will continue to share with America your vision and your steady hand. And this is especially critical to us at this moment of transition in our government.

Whatever the future may hold, today the American people express to you our thanks, our affection, and our determination to stand with you until freedom has triumphed. Sir Winston put it very well when he said: "The day may dawn when fair play, love for one's fellow men, respect for justice and freedom will enable tormented generations to march forth serene and triumphant. Meanwhile, never flinch, never weary, never despair."

Prime Minister Thatcher

May I thank you most warmly for those kind words of welcome and for this marvelous ceremony, which I shall never forget. It is a great honor to be your last official guest after 8 historic years of your presidency, one of the greatest in America's history. It's an opportunity to affirm anew the deep friendships not only between ourselves but between the British and American peoples, an opportunity to salute all that you have accomplished over these 8 years on behalf of this great nation and of free people everywhere, and an opportunity to look ahead to the bright promise of the future.

When you welcomed me to the White House on my first official visit to Washington under your presidency, you forecast two things: first, that the decade would be less dangerous if the West maintained the strength required for peace, and second, that Britain and America would stand side by side in that endeavor. Both promises have been honored and honored handsomely. We thank you for being such a staunch and loyal ally and friend to our country. Together our nations have faced the challenges of our time and have not flinched. We forged ahead with strengthening the peace, spreading prosperity, and safeguarding liberty. Your conviction that the only sure peace is one founded on a strong defense has enabled us to take a first historic step in the reduction of nuclear arms.

You have presided over a period of economic expansion unparalleled in peacetime in recent American history. But above all, you have restored faith in the American dream, a dream of boundless opportunity built on enterprise, individual effort, and personal generosity. As a result, respect for America stands high in the world today.

And thanks to your courage and your leadership, the fire of individual freedom burns more brightly not just America, not just in the West, but right across the world. We in Britain have been proud to be your partners in that great adventure. We counted it a privilege to join you in enlarging freedom and furthering the democratic way of life. Two hundred years ago, Tom Paine told the founders of this great nation: "We have it in our power to begin the world over again."

The office which you hold is the greatest in the world. But it is the man who holds that office, you, sir, who has enabled us to begin the world over again. We salute and thank you for it.

¹Made at the South Portico of the White House where Prime Minister Thatcher was accorded a formal welcome with full military honors (text from Weekly Compilation of Presidential Documents of Nov. 21, 1988). ■

U.S. Commemorates 40th Anniversary of the Universal Declaration of Human Rights

Following are remarks by Richard Chifter, Assistant Secretary for Human Rights and Humanitarian Affairs, Richard S. Williamson, Assistant Secretary for International Organization Affairs, John C. Whitehead, Deputy Secretary of State, President Reagan, and Vernon A. Walters, U.S. Permanent Representative to the United Nations, at a White House ceremony on December 8, 1988, and the text of a proclamation.

ASSISTANT SECRETARY CHIFTER

Those who have attended Human Rights Day meetings at the State Department in the recent past will recall that we have customarily used this opportunity to point up some of the most egregious human rights violations throughout the world. We are deviating from this pattern this year for two reasons. First, the 40th anniversary of the adoption of the Universal Declaration of Human Rights is an appropriate occasion for us to celebrate the declaration and note what has been accomplished as a result of the work of its framers. Second, the end of the tenure of an administration is a time for taking stock as to what has been accomplished during the last 8 years and to set goals for the period immediately ahead.

Defining the Rights of Man

The term "human rights" or "rights of man," as it used to be known, is a term introduced by the thinkers of the Enlightenment of the 18th century. These thinkers provided us with the philosophical foundation on which modern democratic government rests. In our own country, the precept that the individual has rights with which he is endowed by the Creator and of which he can't be deprived by his sovereign was enshrined in our epochmaking Declaration of Independence.

For close to two centuries, the call for respect for human rights emanated from individuals and groups of citizens in any one country as they urged such respect from their own governments. On occasion there may also have been instances in which individuals and groups in one country appealed to the governments in another country to re-

spect the cause of human rights. But only very rarely would the government of one country urge the government of another country to change the ways in which that second government dealt with its own citizens. The relationship between a sovereign and the citizens under that sovereign's jurisdiction was viewed as an internal matter, not subject to any kind of interference by other sovereign governments.

It was only in the wake of World War II that this basic proposition of noninterference was reconsidered. The atrocities perpetrated by the Hitler government, it was noted, had victimized not only foreign nationals but for citizens of Germany as well. That is the basis for the inclusion in the UN Charter of the commitment to the promotion and encouragement of respect for human rights and for fundamental freedoms. It is also the basis for the creation of the UN Human Rights Commission and for the adoption by the UN General Assembly in 1948 of the Universal Declaration of Human Rights.

The declaration thus set a milestone of worldwide significance in the evolution of the relationship between the governing and the governed. For the first time in history, there was an internationally accepted standard by which the performance of a government in its dealings with its citizenry could be measured. The Universal Declaration set a standard of international morality for the conduct of governments.

That does not mean that the declaration's standards were universally respected. In fact, these standards were and still are, in one way or the other, massively violated in a majority of countries of the world. One of the challenges which faced and still faces a good many advocates of the human rights cause was how to give life to the words of the Charter regarding human rights and to the words of the Universal Declaration.

There were those who thought that the underlying problem of the Universal Declaration was that it was, under the terms of the Charter, a nonbinding document. It was merely a resolution expressing the views of the members of the United Nations. What was necessary, it was now said, was for the world community of nations to frame *binding*

documents, which would provide legal teeth in place of an effort at moral suasion through the principles of the Universal Declaration.

So the lawyers went to work and, after 18 years of labor, produced the documents which came to be known as the International Covenants on Civil and Political Rights and on Economic, Social, and Cultural Rights. At the risk of introducing an element of controversy into this talk, let me say that the international covenants have not lived up to the expectations of their drafters. The difference between a document which is called "nonbinding" and one which is called "binding," but for which there is no effective enforcement process, is difficult to discern. In some ways the covenants watered down the principles enunciated in the Universal Declaration. They did so without providing the hoped-for added effectiveness. A good many countries decided to sign and ratify the covenants and, through a strained interpretation of its provisions, rendered their adherence to these documents entirely meaningless.

So it has been the Universal Declaration, as a beacon, as an inspiration, which has stood the test of time. It has provided a basis for the discussion of human rights in international forums and in other settings as well.

Reporting Human Rights Violations

Even after the Universal Declaration had been adopted, it took quite a while before governments were prepared to criticize the human rights conduct of other governments. From the early 1950s onward, the United Nations would criticize apartheid in South Africa. But it took about 20 years before another country would find itself criticized for its conduct toward its own citizens. That second country, selected for criticism in the 1970s, was Chile. I am afraid that even thereafter, the UN system has been selective in its critique of human rights violators.

But that has not prevented non-governmental organizations (NGOs) and, ultimately, governments to pay increasing attention to human rights behavior and human rights violations. Guided by the principles of the Universal Declaration, advocates of human rights, both within and outside governments, have during the last 10-15 years become increasingly vocal. The effect has been noticeable. I submit that today no government will deliberately commit a human rights violation without at least reflecting on the adverse

publicity which such a violation would bring about.

I have chosen my words deliberately for governments are still committing human rights violations, but they will give thought to the adverse publicity that might be generated and the possible consequences of such publicity. In some situations, a government might decide against a step it had planned to take or might stop a practice which is being criticized so as to avoid adverse publicity. It is the alertness of the non-governmental groups which has thus, against the background of the Universal Declaration, become a major factor in reducing worldwide human rights abuse.

There is also an important educational aspect to NGO publicity campaigns dealing with human rights and to the human rights activities of one government as it affects other governments. Some governments may genuinely not be aware that certain measures do constitute violations of internationally recognized human rights standards. They find out what these standards are once they are criticized, once it is pointed out to them that their actions, though in compliance with domestic law, might be in conflict with the provisions of the Universal Declaration. The declaration has thus in recent years taken on increasing significance as the standard by which a country's behavior toward its citizens ought to be measured.

Contrasting Political and Economic Rights

There are two questions that have come up in the debate on human rights which deserve attention in the context of this celebration of the Universal Declaration. The first is the question of the relationship between what have come to be known as civil and political rights, on one hand, and economic and social rights, on the other hand. Analysts of the Universal Declaration will call attention to the fact that, while 22 articles do, indeed, spell out a set of civil and political rights, 5 others list a series of what are known as economic and social rights.

I would suggest to you that we have witnessed, over the decades, a rather sterile debate over what does or does not constitute a "right." We can cut through that debate by simply affixing different labels to the subjects under discussion. We can speak, when we refer to the set of issues encompassed by the term "civil and political

rights," to *limitations* on government. "Economic and social rights" can, on the other hand, be denominated *tasks* of government.

A significant difference between the two categories is that the first can be attained with relative ease. All that is required by a government in order to live up to its commitments in that area is *not* to do something. Performing well in the second area, on the other hand, requires skill, thought, and resources. Furthering economic progress requires decisions as to the basic approach to be taken to the operation of one's economy, often only after overcoming considerable disagreement on proper analyses and remedies. For the performance of a government in the social and economic area will not ultimately be judged by the promises it made but by what is delivered on these promises.

The broad issue posed by the economic and social programs of a government is an important one—an issue which deserves consideration, analysis, and discussion. It deserves such discussion in its appropriate context—discussion by experts in the field, discussion by economists, by experts on public health, on housing, on agricultural production and distribution, and others. But these are discussions different from those that focus on the limitations on government, which are most appropriately conducted by experts on governmental structure and the law. The agenda of meetings which focus on limitations on government should not be diluted by discussions of economic issues.

The second point that deserves analysis is the observation that the declaration was adopted prior to the time when the wave of decolonization had crested. It was adopted when the bulk of the votes in the United Nations was cast by the countries of southern, western, and northern Europe and the Americas. The text reflected the notions of government and the rights of the individual which had begun to crystalize in Western Europe and North America more than 200 years earlier.

But does the fact that persons of French and English descent were, a quarter millennium ago, in the lead in articulating the concept of individual freedom—and of government as the servant rather than the master of the citizen—mean that they were speaking only for Frenchmen and Englishmen and their descendants in North Amer-

ica? Could it be, instead, that they were identifying principles of government of universal applicability, that they were speaking a language which appealed to the logic and innermost longings of all men and women of whatever cultural stream? At the time the writers and thinkers of the Enlightenment put pen to paper, the experience of their societies with the concepts these writers were groping to explain ranged from limited to nonexistent. What the thinkers of the Enlightenment did, and what the drafters of the Universal Declaration also strove to do, was to present a set of ideas—of universal ideas on the limits of governmental authority, of goals to be attained, above all, to guarantee the individual respect for his human dignity and a life of freedom from fear.

There are those who contend that adherence to the principles of the Universal Declaration may be one of the luxuries which rich, industrial societies can enjoy but which simply won't work in countries that must focus, in the first instance, on the essential elements of maintaining a standard of living of minimum adequacy. "We can't worry about freedom of the press when people are starving," is the comment which can so often be heard.

There are a number of points that can be made in response. First of all the concepts of individual freedom of which we are here speaking took hold in countries such as the United States at a time when it was predominantly agrarian, with the great majority of population "poor" by today's standards. As a matter of fact, these concepts established themselves most firmly in those regions of the country which were almost exclusively agrarian and almost exclusively "poor."

And as for freedom of the press and the need for food: Let us ponder whether countries in which people go hungry would have followed the disastrous agricultural policies which sharply reduced food production if they had had a free press—a press which most certainly would have criticized these policies and pointed out the inevitable consequences of such serious policy errors.

Applying the Declaration's Provisions

Let us now take a look at some of the specific provisions of the Universal Declaration and ask ourselves whether they are, indeed, the particular property of a single civilization or should be deemed generally applicable. What

should we think of the principle that everyone "has the right to life, liberty and security of person?" What should we think of the prohibition of slavery, torture, and cruel, inhuman, and degrading treatment or punishment? And what about the notion that all are equal before the law and are entitled, without any discrimination, to equal protection of the law? And what about the rule against arbitrary interference with a person's privacy, family, home, or correspondence? And what about the right to freedom of movement within one's country and across international borders? And what about freedom of thought, conscience, and religion and freedom of expression? And, finally, what about the right to choose one's government in free elections? Is it not a truly detestable form of racism to suggest that these should be the goals of Western civilization only and of no bearing or relevance to the rest of the world?

The issues which I have posed above, indeed, been the subject of sharp debate for some time. They are essentially the defense raised by human rights violators against criticism directed at them. But as we mark this milestone of the 40th anniversary of the Universal Declaration, we can note that there have been significant shifts on the world scene which have brought the Universal Declaration into sharper focus and have caused the arguments advanced against the assertion of civil and political rights to be increasingly emphasized. When we raise the issue of restrictions on the rights of assembly in the Soviet Union, we no longer hear objections about our unemployment problem. Soviet citizens themselves raise questions about fundamental freedoms, and Soviet officials concede that past violations of the principles of the Universal Declaration were serious errors for which past leaders should be faulted.

Only yesterday, as I sat in the chamber of the General Assembly of the United Nations, I heard these words from the General Secretary of the Central Committee of the Communist Party of the Soviet Union, and I note:

I would like to join the voice of my country in the expression of high appreciation of the significance of the Universal Declaration of Human Rights adopted 40 years ago on December 10, 1948.

This was Mikhail Gorbachev's way of distancing himself from the decision Joseph Stalin 40 years ago to have

the Soviet bloc abstain when the declaration was adopted.

Similarly, in other parts of the world, there is increasing recognition that the argument that hungry people don't care about freedom of the press is not an adequate answer.

It is increasingly recognized that freedom and economic progress go hand in hand. At no time in the last 40 years has the future of the human rights cause worldwide looked brighter than it does today. So, as we move into the fifth decade of the Universal Declaration, let us recommit ourselves to the principle stated in the first preambular clause of the Universal Declaration, namely that "recognition of the inherent dignity and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world."

ASSISTANT SECRETARY WILLIAMSON

In September of this year, the United Nations took another important step for advancing human rights: Despite firm, public statements by Fidel Castro that he would never allow a UN investigation of Cuba's human rights practices, a UN team visited Cuba. While it was there, the team met with Cuban human rights activists, interviewed political prisoners, and explored the systemic nature of human rights violations in that country. It is fitting that during this year of the 40th anniversary of the Universal Declaration of Human Rights, the UN Human Rights Commission (UNHCR) has finally gained access to a country which has committed the worst human rights violations in this hemisphere.

For years, Cuba has been a blatant violator of its citizens' human rights. Nonetheless, it remained free from careful scrutiny by a United Nations that consistently refused to acknowledge human rights violations by the left. We witnessed a significant victory for freedom, and for the United Nations itself, when the U.S. initiative regarding Cuba succeeded earlier this year in pushing the UN Human Rights Commission toward a consensus decision to launch an investigation into Cuba's human rights abuses. In anticipation of the team's arrival, Castro began to free some political prisoners, improve prison conditions, and tolerate the existence of a small, independent national human rights group.

The Geneva victory also was significant in that it marked a departure from the United Nations' too frequent double standard of pointing an accusing finger at only a handful of countries (especially Israel, Chile, El Salvador, and South Africa) while ignoring the gross human rights violations of the communist world. It also is an example of how, in this age of bloc voting by developing countries, the United States can successfully advance important national values and interests at the United Nations. It is important that objectivity be restored to the consideration of human rights by the United Nations.

Among the principal purposes of the United Nations, set forth in its Charter, is the promotion of respect for basic human rights and fundamental freedoms. The Universal Declaration of Human Rights, adopted by the UN General Assembly in 1948, offers a common standard against which individuals and nations can measure treatment of citizens, and it remains the philosophical basis of our human rights efforts in the United Nations and throughout the world. Americans will recognize the basic provisions of our Bill of Rights as the root elements of the declaration. It underscores, for example, the right to self-determination or the right to choose freely one's government.

A major reason for the primacy of human rights in the United Nations is that its founders recognized from the bitter experience of the Second World War that those governments which abuse the rights of their own citizens are, if given the opportunity, more likely to abuse the rights of citizens of other countries. Promotion of the respect for human rights is thus linked to the United Nations' basic purpose of keeping the peace. In both of these areas, the United Nations is making an increasingly important contribution.

The U.S. Emphasis on Human Rights

For the United States, no issue has surpassed in importance the protection and promotion of basic human rights and fundamental freedoms. This concern for human rights is interwoven in the national experience and beliefs of Americans. It is what has differentiated the United States from so many other nations in history. It is profoundly fundamental to our character

and values. Our belief in the rights of the individual has led to the creation of our own economic, social, and political system. Our foreign policy, which seeks to secure our national interest, is inextricably based to our belief in the inalienability of human rights and fundamental freedoms for all people.

We view human rights as limitations upon the power of the state. Based on the principles set forth in the Bill of Rights of the U.S. Constitution, our view of human rights is centered on defenses from the state, accorded every individual and protected by an independent judiciary. These rights are timeless, unalterable, and not subject to the intellectual or political fashions of the day. They establish the state as the servant of the people and not the other way around.

One clear example of the difference in approach between the United States and most of the rest of the world regarding human rights is the topic of the right to self-determination. For most of the world, self-determination is a one-time act, which ends when a country achieves political independence. Once the colonial flag has been lowered and local rulers take power, the issue is closed: The country has achieved self-determination. The United States, however, sees self-determination as a continuous process that need not include political independence. For example, the relationship between Puerto Rico and the United States illustrates how a country can freely exercise the right to self-determination by electing to associate itself with another country. For us, true self-determination results from individuals, on a regular and periodic basis, exercising their human rights, in particular, the right to choose their government. In other words, the essence of self-determination is the existence of genuine and periodic elections that will reflect the will of the people.

It is in the UN Charter's emphasis on human rights that this organization bears the greatest resemblance to the American approach to the relation between the individual and the state. The United Nations is essentially a body of constituent national governments. But just as the Bill of Rights in our own Constitution delineates the limits of the U.S. Government to compel American citizens, the Universal Declaration is intended to set forth similar limits on the powers of all governments over the conscience of the individual. The Universal Declaration sets forth the same principle contained in our own Declaration of Independence that the legit-

imacy of rule can only flow from the consent of the governed. Only by observing the human rights and fundamental freedoms contained in the Universal Declaration can the members of the United Nations fulfill the Charter's highest purposes.

The United States has been very dissatisfied when the United Nations has departed from its original purposes, particularly in regard to the promotion and protection of basic human rights. The past 25 years have seen a tendency to redefine human rights to include a new category of "social and economic rights," such as the right to education, the right to food, or the right to housing. The Soviets have even been bold enough to sponsor a "right to life" in their drive to secure a disavowal of nuclear weapons on the part of the rest of the planet. Recently the developing countries have decided to preempt the discussion on the appropriate strategy for development by asserting a "right" to development. In contrast to our notion of human rights as limitations upon the power of the state, these "rights" would augment the power of the state, make individuals more dependent, and could not be enforced by an independent judiciary.

The United States sees these socioeconomic "rights" as the goals of sound policy rather than as true human rights. A government *should* help create the environment that will permit its people to have adequate housing, food, medical care, and living standards. Beyond this, however, lies the fact that in many cases these new "rights" tend to be merely a smokescreen put up by those with no intention of honoring human rights regardless of the definition.

Dictatorships traditionally justify the denial of civil and political rights by asserting that these rights are predicated upon the achievement of certain social and economic goals. They will argue, for instance, that assuring the right to vote or the right to worship freely will not feed the hungry or house the homeless. The historical record shows, however, that those states that most energetically protect civil and political rights achieve the most in the social and economic spheres. One can see this by contrasting the social and economic achievements of countries with similar cultures—for example, the Federal Republic of Germany with East Germany, Austria with Hungary, Thai-

land with communist Indochina, and Botswana with most other African countries. Wherever the state fears or oppresses the individual, we see political prisoners, refugees, and economic stagnation.

The record of the United States in defending human rights is an excellent one. At home, we are engaged constantly in the struggle to ensure that all Americans enjoy the full protection of the law. Abroad, we have made human rights a top priority in our foreign policy.

The United States has more credibility on human rights issues than any other country. The State Department annual report on human rights practices around the world is cited by many delegations at the United Nations as the best work of its kind. Because of the power of our media, the United States has the ability to turn an issue into one of global concern. When the United States speaks, other countries listen.

The Unique Role of the United Nations

The seminal document in the United Nations pertaining to human rights is the Universal Declaration of Human Rights. This document was painstakingly drafted during 1947 and 1948 by UN committee headed by Eleanor Roosevelt and on which former Secretary of State John Foster Dulles also served. The declaration was adopted without opposition by the General Assembly December 10, 1948. Before casting the U.S. vote on that historic occasion, Mrs. Roosevelt told the General Assembly that she hoped the declaration might become "the international Magna Carta of all men everywhere."

The Universal Declaration of Human Rights represents the first global statement providing an objective standard for measuring the human rights performance of governments. Its adoption by more than 50 governments in 1948 is an affirmation of the word "Universal" in this document's title. It also is an affirmation of the fact that human rights are of international concern and not merely an internal matter of sovereign states.

Although there are several UN organs that deal with human rights—including the General Assembly, the Commission on the Status of Women, and the Economic and Social Council—the UN Human Rights Commission is the United Nations' principal human

rights body. The UNHRC is one of several commissions mandated by the UN Charter. It is composed of representatives from 43 member states who are elected for a 3-year term by the Economic and Social Council. The commission meets every year in Geneva in February through early March to determine whether governments are complying with the Universal Declaration of Human Rights.

Seats on the Human Rights Commission are allocated on the basis of four regional groupings: the West European and others group, the Asian group, the East European group, the African group, and the Latin American and Caribbean group. The UNHRC has crowded agenda, focusing on the Middle East, southern Africa, Chile, Afghanistan, Iran; El Salvador, Guatemala, Cyprus, and now Cuba. The issues addressed by the UNHRC include religious intolerance, torture, summary and arbitrary executions, mercenaries, and disappearances.

When the United Nations was founded 43 years ago, the Western countries set the tone of the debate. Most of the 51 member nations were democracies with a commitment to liberal principles. Today there are 159 members of the United Nations. Of these, 32 have fewer than 1 million citizens each. Two-thirds of the vote in the General Assembly speak for less than 10% of the world's people, and 30 practicing democracies pay two-thirds of the bills. According to one analysis, the proportion of prodemocratic countries in the United Nations has dropped from 60% to 40%.

The Human Rights Commission is a flawed organization. The trend toward politicization has been a major problem faced by the commission in its handling of human rights issues. One need only look at the tremendous changes which have taken place in UN membership over the past two decades to understand the drastic change which has occurred regarding the fundamental character of the United Nations and UN agencies themselves.

This transformation has had a profound impact on the area of human rights and on the UN's role in protecting human rights. Human rights issues which initially were considered from only a technical and legal perspective have become a target of opportunity to be transformed by the Soviet bloc or radical Third World nations to a means of furthering their own political goals. Following the imperative of bloc voting, UNHRC members like the Soviet

Union and its allies band together to protect each other from international criticism and scrutiny.

The double standard in the United Nations, especially on human rights, undermines the United Nations' moral authority—and some would say its legitimacy. There are numerous examples of how this double standard is at work: The UNHRC spends an inordinate amount of time on human rights violations in the Israeli occupied territories but ignores the much greater and systematic violations that have taken place elsewhere in the region. Listening to the debate on human rights in Africa, one might believe that only South Africa violates human rights there. A 1986 U.S. resolution criticizing the Ethiopian Government's resettlement policies was prevented from coming to action on the floor of the UNHRC by a procedural motion. In the case of Uganda, only now, thanks to a British grant to the advisory services fund, has the commission begun to get around to addressing the situation there.

Having pointed out some of these serious problems in the United Nations—problems which the United States must diligently and forcefully seek to correct—let me now say categorically that *the United Nations matters*. It *does* advance U.S. interests and it *does* make an important contribution to the world community, particularly in the area of human rights.

The concern of the United States for human rights is an integral part of our bilateral and multilateral relations. At the United Nations, our credibility on these issues has given us an advantage which helps compensate for our minority status. Regardless of how we do on votes on specific resolutions, no country wants to have its human rights record criticized by the United States. The fact that the United States raises a human rights issue is often enough to provoke a positive reaction from the country criticized. Our tough and consistent stance on human rights in the Soviet Union, for example, has undoubtedly contributed to the recent, though still too gradual, improvements in the human rights situation in that country—the world's most systematic and longest-lived violator of human rights.

Despite our credibility and sound record, however, the United States must face the need for political realism

in addressing human rights at the United Nations. We are outnumbered; we represent values that too many states fear. Yet a large part of our weakness within the institution has stemmed not from the distribution of voting strength but rather from our failure to recognize international organizations for what they are: highly political arenas. Often when we have taken a position, we fail to gain support from other nations, fail to build coalitions, and many times fail to get even our closest bilateral allies to join us.

There is a real need to seek, with increasing frequency, multilateral solutions. And, as we learned in the case of our Cuba initiative, the successful implementation of our multilateral policy depends on our ability to identify precise goals, make our concerns known to other countries, and, most important, persevere in the face of initial defeat or protracted conflict. We must be able to marshal carefully what multilateral resources we have. When we do, we win. When we win, the oppressed people of the world win.

Conclusion

The Reagan Administration's activist policy in the United Nations on human rights issues owes profound thanks to Ambassador Vernon Walters and his predecessor, Ambassador Jeane Kirkpatrick, whose insistence on even-handed treatment of human rights violations everywhere in the world set a clear standard for this government. They have argued, sometimes against great odds, that the United Nations must ignore the regional and political alliances of its members in order to protect those who suffer at the hands of violent and oppressive governments. They also have insisted that the United States must be willing to stand alone, if need be, in defense of impartial and universal justice. Their respect and admiration for Armando Valladares, the U.S. representative to the UNHRC who was himself a prisoner in Castro's jails for 22 years, has been a consistent theme of their major statements before the United Nations.

Over the past several years, we have struggled to make these goals a reality. In 1984 the Western countries succeeded in gaining a special rapporteur, Felix Ermacora of Austria, to examine the human rights situation in Afghanistan. His early hard-hitting reports on Soviet violations of human rights in that war-riddled country finally forced the Kabul regime to allow

him entry. As the Soviet forces withdraw from Afghanistan, the United Nations will continue to monitor the extent to which human rights are respected by any new government which attempts to bring order out of chaos.

In the case of Iran, the United States has provided strong political momentum in support of a special rapporteur and in defense of minority groups persecuted by the Iranian Government. President Reagan has spoken out on behalf of the Bahais, and we believe that his remarks, together with pressure from other governments, have helped defend the defenseless. We will continue our watch, however lonely and unpopular, as long as the need remains.

We also take great pride in a U.S. Government initiative in the UN Human Rights Commission which succeeded in winning a special rapporteur on religious intolerance. This kind of thematic approach—in this case a rapporteur empowered to report on specific instances of intolerance anywhere in the world—allows the United Nations to address problems in countries otherwise protected from criticism. Similar approaches are taken by rapporteurs on torture and summary and arbitrary executions. The very titles of these rapporteurs underscore the urgency of the need for a continued focus on these barbaric practices still common in secret places throughout the world.

In closing, I would like to stress that, with all of its flaws, the United Nations remains the only body of its kind in the world. It is the only arena where the tortured and abused of the world have an opportunity to lay forth their cases and stand some chance of having the world community act on their behalf.

As we commemorate the 40th anniversary of the Universal Declaration of Human Rights, I think it only appropriate to remind ourselves of the duties and responsibilities which the United States has as a founding member of the United Nations and as its largest financial contributor. We owe it to ourselves and to the United Nations to continue our efforts to restore the original values and beliefs set forth in both the UN Charter and the Universal Declaration of Human Rights and to call for actions which reflect the moral authority of this great organization. When we see a situation developing which is contrary to these values, we are obligated to speak out. We must never leave ourselves open to the shame of silence.

DEPUTY SECRETARY WHITEHEAD

As you know, we're here today to once again offer tribute to the thousands of people around the world who work to advance the cause of human rights. I am pleased that so many of you could join us today to underscore the importance of this work.

This afternoon President Reagan will sign a proclamation officially designating December 10 "Human Rights Day" and all of next week as "Human Rights Week" in commemoration of the anniversary of the signing of the Universal Declaration of Human Rights. The President will stress the close historical relationship between human rights and the fundamental principles of our country by proclaiming December 15 as Bill of Rights Day.

President Reagan has issued such proclamations each year for the past 8 years, joining Congress in an expression of America's deep and abiding commitment to the special cause of human rights.

This year we mark a unique occasion, the 40th anniversary of the adoption of the Universal Declaration of Human Rights. It is a significant occasion also because this year marks the 40th transition from one U.S. Administration to the next, the highest expression of a nation's commitment to democracy, freedom, and human rights.

You have heard Assistant Secretaries Schifter and Williamson talk about human rights from their individual perspectives. These two men work every day to advance the cause of human rights. We owe them a tribute. I am glad to make it.

Dick Schifter's personal involvement in human rights goes back almost to his boyhood, when he left Vienna to escape the horrors of Hitler's onslaught. Coming to the United States, Dick gained a law degree from Yale and later defended numerous human rights causes. For several years, he headed our delegation to the UN Human Rights Commission. Since 1985 he has been in charge of the State Department's Human Rights Bureau. He and his staff monitor the human rights situation around the world and propose and implement policies to promote human rights. In my opinion, and I'm sure George Shultz would agree, Dick can honestly claim a large share of credit for remarkable and *specific* human rights advances now occurring in the Soviet Union.

Rich Williamson is responsible for coordinating and directing our participation in international organization. Rich spends a large portion of his time seeking to advance and uphold the cause of human rights in the United Nations. The range of issues with which he must deal is awesome. To cite just one example, Rich is the Administration's "point man" on Afghanistan, an area where we are achieving major successes. A central aspect of our Afghanistan policy is our desire to see fundamental human rights and freedoms restored to the Afghan people.

I, too, have had the honor of working in the struggle to preserve and protect human freedoms. In 1986 Secretary Shultz gave me a special responsibility for our relations with Eastern Europe. This inevitably leads to deep involvement in human rights. My own involvement in the international human rights effort goes back many years to a café in Vienna in 1956, where I was having breakfast with a friend. Our meal was interrupted by a man who burst in seeking to talk to my friend. The man was Hungarian freedom fighter who had made his way across the border to bring the tragic news from the streets of Budapest. Later I asked my friend how I could help the cause of freedom. I've been involved ever since, through my long association with the International Rescue Committee and now as Deputy Secretary of State.

On each of my six trips to Eastern Europe as Deputy Secretary, I have placed human rights at the top of my agenda, and I've been gratified by the progress we've made over just 2 years. Obviously there is much left to be done but we have seen a very welcome tangible change in many East European countries.

I believe that one of the major achievements of this Administration has been to make human rights an integral part of our foreign policy at all levels: a "sometime" concern but an institutional, "*every time*" consideration. Every bureau of the Department of State is charged with seeking ways to expand protection of fundamental human rights for all people in all countries at all times.

Human Rights: A Bipartisan Goal

The need for such an effort first emerged in the early years of this century. Human rights and basic freedoms were simply not on the list of discussion topics in international diplomacy until

Woodrow Wilson first launched his Fourteen Points, nor was there any mechanism for bringing human rights concerns to the forefront of international discourse.

Driven by the horrors of the Holocaust and the Second World War, President Franklin Roosevelt took a long step toward bringing human rights permanently into our foreign affairs agenda. He articulated his Four Freedoms, which were later embodied in the successor to Wilson's vision of world community, the United Nations. Eleanor Roosevelt was a key figure in drafting the document whose anniversary we celebrate today, the Universal Declaration of Human Rights. By the adoption of the Universal Declaration, the nations of the world for the first time formally pledged themselves to uphold the rights which form the keystone of our republic, and thereby gave mankind the "universal bill of rights" for which Thomas Jefferson had fought when our nation was first founded.

But even with the adoption of the Universal Declaration, worldwide adherence to human rights still did not reach the level its drafters sought. Shortly after the declaration was adopted, violations of political and economic freedoms were perpetrated in Eastern Europe and elsewhere, and there was blatant disregard for civil rights and human dignity in many countries. Intolerance, rule of terror, and aggression trampled regularly on the rights of millions in those years following World War II. But as awareness of the standard embodied in the Universal Declaration grew, so did pressure on those who would deny these rights. Gradually, these standards gained wider acceptance. As colonialism all but vanished in the whirlwind of independence in the early 1960s, these same principles were incorporated in the constitutions of literally dozens of new states.

The next great step toward making human rights a permanent part of foreign affairs occurred in the early 1970s, with the Helsinki Final Act. Just as the United States had played a major part in the creation of the Universal Declaration of Human Rights, so also at Helsinki we took a leading role in pushing for acceptance by all participants of clearly defined standards. We succeeded, and the fruits of that success opened the door to a new era in international relations, an ongoing process through which deficiencies in human rights performance are systematically examined and new, more comprehensive solutions gradually emerge.

Under President Carter, human rights received even greater attention as the United States sought to convince other nations that principles and morality are key components of a more peaceful world. In 1977, with the support of Congress, the State Department was able to create a full-fledged Bureau of Human Rights and Humanitarian Affairs. It took some time, of course, to get the machinery up to speed. Often during this period, our fellow adherents to the Helsinki accords, for example, rejected our commentary on their failure to respect human rights. We were charged, both publicly and privately, with "interference in their internal affairs" or "insults to their sovereignty" when we sought to raise human rights concerns. Objective norms and standards contained in the Universal Declaration of Human Rights were ignored.

Human Rights: The Reagan Contribution

From the outset, President Reagan also committed himself and his Administration to the proposition that we must act when human rights are abused. In his first news conference, President Reagan made it clear he would put human rights at the top of his list of international issues, a priority as strong as arms control or any other major foreign policy interest of the United States. Over the years, our adversaries and our allies both came to know that human rights was something we would want to discuss with them whenever we saw some need.

President Reagan and Secretary Shultz insisted that our foreign policy establishment be reshaped to conform to this new policy emphasis. The State Department's Bureau of Human Rights and Humanitarian Affairs was given a more active, central role in policymaking. Each embassy abroad designated a human rights officer. U.S. Ambassadors all over the world became more actively engaged in a human rights dialogue with the governments to which they were accredited. We began to challenge the human rights double standard at the United Nations which sanctioned human rights abuses in some countries and ignored much more egregious abuses in others. Human rights moved up the scale of priorities in each overseas post's annual list of "goals and objectives." Human rights goals are now near the top on many of our posts' policy objectives.

Perhaps most important, human rights reporting assumed a major dimension. The State Department's annual

Country Reports on Human Rights Practices has become an authoritative and respected statement on the subject. We constantly seek to be objective and fair in our reports. From my own knowledge, we probably have a more accurate view of the human rights situation in any particular country than anyone besides the population and leadership of that country itself. And you may be sure that wherever there is reason to suspect some variation from accepted human rights standards, our people are out there trying to get the full facts. If you were to look through a typical textbook on diplomacy, international relations, or international law from the 1940s or 1950s, you would find little on human rights. Today, our diplomats regard human rights as a natural and important part of the work they do.

Because of this new emphasis, we were prepared to capitalize on other changes which have occurred in the world in recent years. Leadership changes in the Soviet Union brought a loosening of the grip of what I would call the "KGB mentality." Many of the leaders in Eastern Europe and the Soviet Union began to take a more practical view of the world. A number of factors account for this. I don't propose to discuss them here, but let me say generally that the growth of acceptance for universal standards of civil and political rights has today made that old standby, totalitarian terror and oppression, unacceptably costly in the eyes of most leaders. They now must find other ways to respond to the inevitable pressures from their populations. And they must find ways to respond to us. Despite many internal and other problems, they are doing this.

In Eastern Europe, I have seen progress in human rights, particularly in Poland and Hungary, and we have seen changes in the Soviet Union which would have been unthinkable a few years ago. Thousands are being allowed to emigrate. Hundreds of political prisoners have been freed. We have seen some loosening of controls on religious worship. We are engaged with the Soviets in frank and detailed examination of their psychiatric system, so long abused for political purposes. "State security" has become less a subject for official paranoia. Open discussion of important issues has become more widespread throughout the Soviet Union. I say let it continue and grow.

I don't mean to imply that we think that Eastern Europe and the Soviet Union have been transformed. There is

still a very long way to go, even if the changes we have seen so far remain in place. In Eastern Europe, we have not seen significant forward movement on human rights in Czechoslovakia, Bulgaria, or the German Democratic Republic; in Romania, unfortunately, we are witnessing a regression. In the Soviet Union, millions of Eastern Rite Catholics in the Ukraine remain unable to practice their religion officially. Much change will have to occur before we can say that the average Soviet citizen no longer fears his government, that the rule of law has been established, and that the arbitrary use of power by Soviet officialdom has ended. Still who would have thought 8 years ago that the Soviet Union could be so changed? Of course, we can't claim all the credit for those changes, but we can take credit for having capitalized on the openings we found and pushed hard to accelerate the rate of change.

And, of course, the Soviet Union and Eastern Europe are not the only places where the President's human rights policies have achieved great success. Nowhere has the movement to democracy and human rights been more evident than in our own hemisphere. Where only one-third of the people of Latin America enjoyed a form of democracy in the 1930s, today over 90% do. In Central America, in the late 1970s, only one in five countries was democratic. Today only one country, Nicaragua, is ruled by a dictatorial government. In much of the region, power is now passing from one elected government to another and with this peaceful democratic transfer of power comes dramatic improvements in human rights.

Elsewhere in the world, we have also seen advances. In Africa we have seen a growing appreciation of the role free enterprise and democratic principles can play in promoting more prosperous and fair social and economic environments. In Namibia our painstaking negotiating efforts have brought Africa's last colony to the threshold of independence. And we continue to support the efforts of all those who struggle for peaceful democratic change in South Africa.

In Asia trends toward peace and stability continue, bringing hope for hundreds of thousands of refugees and would-be refugees. We must not forget, however, that these people still depend on the generous policy of granting first asylum that has been maintained for nearly a decade by our friends in Southeast Asia. Many potential problems remain, but in the course of this past year

alone, we have seen free elections in South Korea and in Pakistan. In the Philippines, a truly inspiring story continues to unfold under the leadership of President Corazon Aquino, as the restoration of real democracy is buttressed by the establishment of mechanisms to insure its survival and growth.

This list of the real gains we have seen over the past 8 years is by no means complete; I am sure many of you could add further striking examples from your own experience. But this brief recapitulation should give you some idea of why I think we, as Americans, can all be proud of what our government has achieved in this area in the past 8 years.

Challenges Still Ahead

And it is that very pride, and those achievements, which ensure that we will go on with this great work during the coming years. In some ways the challenges facing us are perhaps even greater than those we have so far overcome. What, for example, should be our response to the horror of rural systemization in Romania, to the growing pressures for autonomy from the Baltic States? From non-Russian republics of the Soviet Union? How can we best prevent, or at least discourage, the age-old tendency to resort to force which still finds expression in forms such as the recent abortive coup attempt in the Maldives Islands and Cuba's continued efforts to "export revolution" for a price? How can we best strengthen the rule of law, and respect for individual rights, in those countries where democracy is still trying to establish root? How can we encourage resolution of the problems which have led to the starvation of literally millions in the Horn of Africa and may cause the death of millions more in that region?

As you can see, my list of the problems that face us is long. It is by no means complete. I have not mentioned, for example, the problems facing us in the Middle East: the persecution of the Kurds, the dangerous spread of the use of poison gas. We are all concerned about the situation in the West Bank and Gaza Strip. You probably can think of other, equally serious human rights or humanitarian problems that still face us. But what we, in effect, will be celebrating in the coming week is the sure and certain knowledge that, whatever the problems that face us in this area, we will go forward to resolve them using all the resources at our command, grounded in

the great principles of our Constitution and our Bill of Rights, the principles which echo today throughout the world the Universal Declaration of Human Rights.

I'd like to add, in closing, that I know Dick Schifter keeps a copy of the Universal Declaration of Human Rights and the Helsinki Final Act in his wallet. I have seen him refer to them; I have seen him win arguments against the Soviets with them. That's a good habit. Let us at this commemoration pledge to take a moment **today** to read once again the Universal Declaration of Human Rights. It's a great document. Let us pledge to recommit ourselves to work toward making these principles a reality where they are now only a dream. This is our challenge, and this is our opportunity.

PRESIDENT REAGAN¹

It's a pleasure to welcome you all here as we mark Human Rights Week. Forty years ago this week, the UN General Assembly adopted the Universal Declaration of Human Rights. For people of good will around the world, that document is more than just words: It's a global testament of humanity, a standard by which any humble person on Earth can stand in judgment of any government on Earth.

Yes, we're here to recognize a set of ideals, our fundamental belief in the unalienable rights of man. But were it not for the people who work to uphold these ideals, then our words would be hollow and our vision without effect. So, let us record that today we're also honoring a community of people, the heroes who have dedicated their lives to these values, who work to keep the world informed, who lend their voices to those denied the right to speak for themselves and who at times have lost their own freedom and even their lives because of their courage in speaking out for the freedom of others.

This community includes such heroic figures as Natan Shcharanskiy, Lech Walesa, and Armando Valladares. It includes Nicaragua's Permanent Commission on Human Rights and Romania's Democratic Action. It includes peaceful groups that are working for multiracial democracy in South Africa, religious leaders in Vietnam, and activists working for Soviet Jewry, and also groups based in our own country working for democracy and human rights, such as Freedom House, Institute for Religion and Democracy, the Puebla Institute, the Cuban-American National Foundation,

and the AFL-CIO's [American Federation of Labor and Congress of Industrial Organizations] Institute for Free Labor development.

In addition, the cause of human rights has become an important factor in U.S. foreign policy. We have not brought these issues to the fore internationally because our own history is without blemish or sin, for it is not. Nor is our right to speak on these issues based on any claim to current perfection, because we do not make that claim. Instead, what we have said is this: that the critical moral distinction of our time is the clear difference between a philosophy of government that acknowledges wrongdoing and injustice and one that refuses to admit to such injustices and even justifies its own assaults on individual liberty in the name of a chimeric utopian vision. The moral foundation of our human rights policy requires that we maintain a single standard of justice and, above all, that our policy must be an effective instrument for improving the lives of people, not an instrument for self-righteous self-satisfaction.

Over these last 8 years, and before, I've seen that representative democracy for all its shortcomings and as imperfectly realized as it so often is, is still the best guarantor of human rights. So, my concern for human rights must be directed also to encourage the success of democratic institutions. The world has failed to notice the great improvement in human rights that is possible when countries make the transition from authoritarianism to democracy. But I've also seen the capacity for bad situations to become far, far worse: for autocratic governments to be replaced by totalitarian dungeons like Cuba, Iran, and Nicaragua. Let us as Americans set forth a simple humane principle, and any policy carried out in the name of human rights must not bring harm to those whom it was supposed to help. It should not yield slavery when what it promised was freedom.

In addition, we've seen that no totalitarian nation has ever made a peaceful transition to democracy. So, this type of transition, which has improved the level of human rights for more people in more countries than any other factor, has not brought its benevolent fruits to the communist world. But reforms are possible and have, indeed, been occurring in the Soviet and East-European Communist and Leninist states.

At my meeting yesterday with Mr. Gorbachev, as at each previous meeting, human rights was one of the four key topics discussed. Certainly, we're not

yet satisfied, but there has been real progress, which we must note and encourage. Many political and religious prisoners have been released, and many specific cases of family reunification and the like have been resolved. Emigration, though still below the levels of 10 years ago, has increased.

But still much remains to be done to translate words into deeds, to bring the peoples of the Soviet Union the full rights to which their government has committed itself under international agreements, including freedom of assembly, freedom of worship, national expression, and the right to leave one's country and return. Specifically, we want to see the release of all political prisoners. Dozens remain imprisoned, including two Helsinki monitors, Lev Lukyanenko and Mykola Matusevych. Well, we await permission for all long-term refuseniks to leave. For all long-term refuseniks we look forward also to the repeal of unjust laws used to jail dissenters. And I believe we learned yesterday that there is some improvement coming immediately in that regard in the one country I mentioned. We are, however, concerned by two new laws, cited by Andrey Sakharov on his recent visit. They seem to step backward, creating additional barriers to peaceful demonstrations and that would increase the suppression of independent publications.

One of the most important emerging forces of change is the information challenge to totalitarianism. Greater openness provides not just greater opportunities to exercise basic human rights but also greater protection against a state that would infringe on those rights. And in this regard, Moscow's decision to stop jamming Radio Liberty and other Western broadcasts is welcome news.

Economic freedom is also an important corollary of human rights. The time has come to recognize that the basic economic rights to own, use, and exchange property, to create and produce, free of state control, are a fundamental part of human freedom and essential components to a decent and humane world for all peoples.

Finally, human rights is inextricably linked to the issues of war and peace. Countries that violate the rights of their own citizens pose a threat to international peace. Moreover, in regarding nations that violate human rights, we should be particularly concerned about those that are expansionist and would expand the reach of tyranny and reduce the sum of freedom in the world.

We should always remember that to be silent on the violation of human rights does not advance the cause of peace; it does not improve relations or promote international stability. It does just the opposite. Silence in the face of evil is a display of weakness that invites aggression. For the free world to morally disarm itself would be the most vile form of appeasement. Our duty is to speak out, and not just 1 day a year but to make sure that every day is Human Rights Day. We owe this to the people of the world, but also we owe it to America, to the Founding Fathers whose vision of liberty we've seen so immeasurably blessed by.

What defined America, what gave our nation its purpose and mission, was, as Abraham Lincoln put it, "something in that Declaration of Independence giving liberty, not alone to the people of this country, but hope to the world. It was that which gave promise that in due time the weights would be lifted from the shoulders of all men."

Well, I thank you, and God bless you for all that you're doing. And now I shall sign the proclamation.

I'm not doing an encore, but just something that I think I'll share with you. I've shared with many others. If I've told it to you, pretend I haven't. But it's a letter I received from a man who called something to my attention that I'd never thought of. He said you can go to live in other countries. You can go to live in France, but you cannot become a Frenchman. You can go to live in Germany or Turkey or Japan, but you cannot become a German, a Turk, or a Japanese. But anyone, from any corner of the world, can come to live in America and become an American.

HUMAN RIGHTS DAY, BILL OF RIGHTS DAY, AND HUMAN RIGHTS WEEK, 1988

Proclamation 5921¹

The second week in December commemorates two important dates. December 10 marks the 40th anniversary of the signing of the Universal Declaration of Human Rights, and December 15 marks the date almost 200 years ago when, in 1791, the first 10 amendments to the United States Constitution—our Bill of Rights—were ratified.

The human rights we regard today as inherent and unalienable were by no means universally accepted 2 centuries ago. Such rights as freedom of worship, speech, assembly, and the press were just beginning to be asserted by popular movements that would sweep Europe and elsewhere in the next century. The

HUMAN RIGHTS

United States thus foreshadowed and fostered a powerful drive to improve the lot of mankind everywhere. During the drafting of our Constitution, Thomas Jefferson wrote that "a Bill of Rights is what people are entitled to against every government on earth."

Now, 200 years later, the Universal Declaration, enshrining many of the principles of our Founders, has become that worldwide Bill of Rights. Elaborating such a list of basic rights was one of the first tasks undertaken by the new United Nations Organization; the Chair of the drafting committee was Eleanor Roosevelt, who was later nominated for a Nobel Peace Prize for this work. Urging adoption of the Universal Declaration, then-Secretary of State George C. Marshall told the United Nations that "denials of basic human rights lie at the root of most of our troubles. . . . Governments which systematically disregard the rights of their own people," he said, "are not likely to respect the rights of other nations and other people." He called for adoption of the Universal Declaration as "a standard of conduct for us all."

The Universal Declaration, like our own Bill of Rights, starts from the premises that civil liberties and political freedom are the birthright of all mankind and that all of us are equal in the eyes of the law. Like our own Declaration of Independence, it also makes the inescapable connection between freedom, human rights, and government by the consent of the governed.

We are proud that the truths expressed by our Founding Fathers—America's source of strength, stability, and authority for more than 2 centuries—have also provided a standard for liberty and the rule of law emulated in dozens of other countries as well.

Nevertheless, many individuals and nations do not enjoy the rights enumerated in our Constitution and in the Universal Declaration. Some governments voice ringing guarantees but fall far short in practice. Some, such as Communist regimes, wrongly subordinate fundamental rights to other goals. These goals are often defined by political groups or parties that claim to know what is best for the individual and for peoples subject to their control. Fundamental goals—free elections and due process—are concepts not welcomed by dictators of any ideological or political stripe.

Despite this entrenched resistance of tyrants to practical guarantees of liberty, the Universal Declaration has done much to promote observance of human rights around the world. Over the past decade in particular we have seen great strides.

As we move toward the final decade of this century, we can truly say that the heroism, prayers, and sacrifices of countless heroes and heroines who have braved threats and persecution in the long struggle for human rights have produced noteworthy results. But we still have far to go. We must and will dedicate ourselves as a Nation to continue this effort, and to stand in solidarity with those who resist, until the blessings of democracy, free-

dom, and respect for human dignity are assured throughout the world.

NOW, THEREFORE I, RONALD REAGAN, President of the United States of America, by virtue of the authority vested in me by the Constitution and laws of the United States, do hereby proclaim December 10, 1988, as Human Rights Day, and December 15, 1988, as Bill of Rights Day, and I call upon all Americans to observe the week beginning December 10, 1988, as Human Rights Week.

IN WITNESS WHEREOF, I have hereunto set my hand this 8th day of December, in the year of our Lord nineteen hundred and eighty-eight, and of the Independence of the United States of America the two hundred and thirteenth.

RONALD REAGAN

AMBASSADOR WALTERS

The Universal Declaration of Human Rights was adopted by the UN General Assembly on December 10, 1948. By curious coincidence, as a young officer, I was present in that room in the Palais de Chaillot where the United Nations was temporarily sitting. This Universal Declaration of the rights of man is the charter document of the United Nations. It was conceived to set common standards for all peoples and all nations. The preamble and the 30 articles that follow set forth the human rights and the fundamental freedoms to which all men and all women are entitled, no matter where they may live. Today many of the UN instruments guarantee human rights and express our central convictions on what we mean by individual freedom and dignity. By participating in the United Nations, we can strive for those rights which set apart all individuals and unite all of us for the common good. As Americans we are particularly proud of the role Eleanor Roosevelt played in creating the UN Declaration of Human Rights. I might add that I was there on the day when, to silence Mr. Vishinsky who had a totally different concept of human rights than we do, Mrs. Roosevelt quoted a Russian proverb which strengthened her argument. Mr. Vishinsky was forced to be silent until the next morning when he demanded the floor to say that there was no such Russian proverb.

Just a few weeks ago, our First Lady, Nancy Reagan, continued in the same tradition. Speaking before the Third Committee of the United Nations in the Trusteeship Hall, she sought very

forcefully to bring the world's attention to the fact that there is a terrible scourge that is preying on mankind—the scourge of drugs with the terrible toll it takes. A scourge which threatens the individual's most basic rights to life, liberty, and security. It is a scourge that tears the fabric of the society of every country in the world.

Since the Declaration of Human Rights was proclaimed, there has been considerable progress in promoting human rights and the fundamental freedoms. We recognize that much has been done, but we recognize that a great deal more has to be done. The United States was instrumental in drawing attention to human rights violations in Guatemala. There has been a considerable improvement in the situation in that country since this matter came under consideration. In Chile, during the years that the United Nations has examined the situation of human rights there, we have seen marked improvements. Last October the Government of Chile voluntarily conducted a free and fair plebiscite which will change that country's political system. I would suggest the world might well turn its attention toward Nicaragua. It is rare; a country advancing toward obsolete totalitarianism while most of the rest of Latin America is moving forward toward stable and enduring democracy.

In recent years, the United Nations has called attention to the very serious abuses of human rights in Afghanistan and Iran. I can't say that there has been a great deal of improvement, but summary executions are fewer and some prisoners have been freed. Nevertheless, the situation is far from satisfactory. In the Soviet Union, there has been some progress; the Soviets have been very conscious of the fact that they have a very bad human rights image. Those of you who heard Mr. Gorbachev's speech yesterday know that he made a great effort to escape from that image. There is improvement but there must be a great deal more. With regard to human rights in Cuba: For 2 years the White House and the USUN [U.S. Mission to the United Nations] delegation have urged the United Nations to undertake a serious, systematic investigation into the situation in that country. It is difficult to believe that for more than years, with this enormous series of crimes going on so close to our shores, nothing was done within international forums to rectify these problems. We now have a committee in Cuba exami-

g the situation on behalf of the United Nations. Castro has always been very sensitive to public opinion. Armando Valladares, a valued defender of democracy who was interned by Castro for more than 22 years, has been able to do much on behalf of human rights by telling his own story. Furthermore, we see that in the last 2 years, since we began his effort in the United Nations, Castro has released 800 prisoners; prisoners which he had once claimed were not imprisoned. There apparently has been, for all of exposure, some improvement in the condition of these people. However, the apparatus, the equipment is still in place, and after the committee is gone, Castro may well try and fill the prisons again. I always say that no one has given Castro full credit for his greatest achievement—he has made Cuba the largest country in the world. The administration is in Havana, the government is in Moscow, the army is in Africa, and the population is in Florida.

No nation in the United Nations has the right to close its eyes to violations of human rights or to say, "Am I my brother's keeper?" That was Cain's question, and he didn't leave a favorable mark on the remembrances of mankind. But I'm an optimist. I think if we look at the situation in the longer term, we can see that ever since we came out of the caves the whole flow of human history has been toward greater dignity and freedom for human beings. Many dictators and tyrants have stopped that temporarily. None has ever stopped it permanently, and these medieval tyrannies masquerading in the clothing of modern aggressive social movements will not escape the inexorable laws of history. We will not swerve, we will not falter, we will not turn back in the struggle for human freedom. Threats to human rights are widespread. Every one of us knows the situation in South Africa today: 95% of the population is denied its fundamental rights. It is an incredible situation occurring in the 20th century. People uphold the doctrine that a man or a woman's place in life should be fixed by the color of their skin, the color of their hair, or the coloring of their eyes. If there weren't so much suffering involved, this would almost be an "opera buffa" situation. But there is a great deal of suffering.

Such abuses of human rights unfortunately will continue, and we, as the largest and strongest of the free nations in the world, must remain vigilant and watchful. We must be at all times ready within the United Nations to insist on respect for these rights which are guaranteed in one of the first documents produced by the United Nations.

The international community must be unceasingly reminded of the need for vigilance, the need for the courage to speak out. You may be sure that in the United Nations, the United States will continue to provide that kind of leadership and that we will point out violations of human rights wherever committed, by whomever committed, and whenever committed. These threats, as I say, will

continue, and we, above all, as one of the United Nations' most influential members, as its founding father, have a particular duty to speak up and to draw attention to these matters. We are a country that has an enormous population of minorities from all over the world. In New York yesterday, I saw Estonians and Armenians, Lithuanians and Latvians in the streets who felt their human rights have been violated. You may be sure that we will not rest as long as there are violations of human rights. We will speak up whatever the consequences, no matter how popular or unpopular our speaking up may prove. We will not swerve from this course. We

U.S. Supports Human Rights Conference in Moscow

**WHITE HOUSE STATEMENT,
JAN. 4, 1989¹**

President Reagan has authorized the U.S. delegation in Vienna to support, in cooperation with like-minded allies, U.S. participation in an agreed schedule of Conference on Security and Cooperation in Europe (CSCE) follow-on conferences dealing with human rights. The first conference will be in Paris in 1989, the second in Copenhagen in 1990, and the third is scheduled for Moscow in 1991.

The President decided to agree to this schedule, including the Moscow conference, as a means of encouraging continuation of the significant progress in human rights that has taken place in the Soviet Union over the past 3 years. That progress has included the release of hundreds of political prisoners and exit permission for many people long refused the right to emigrate. Emigration rates from the Soviet Union are substantially higher, and jamming of the Voice of America, Radio Liberty, and other Western broadcasts has ceased. New laws respecting individual

liberties have been promised to the world by President Gorbachev in his recent speech to the United Nations.

Such new laws—the institutionalization of reform—are crucial, and the President recognizes that there is much yet to be done in the Soviet Union before that nation meets acceptable and universal human rights standards. We will make it clear to the Soviet Union that the lack of future and institutionalized progress or a reversal of progress made to date will cause us to reconsider our decision to attend a Moscow conference in 1991. At present we believe that Western concurrence in principle in such a Moscow conference may be the best way to encourage and support future improvement in Soviet human rights performance. The Soviet Union now has a unique opportunity to take further action to demonstrate its continuing and irreversible commitment to achieve commonly accepted human rights standards.

¹Text from Weekly Compilation of Presidential Documents of Jan. 9, 1989. ■

will insist on the respect by all nations in the United Nations for this very fundamental human right—this right to be free. We will continue to struggle, to encourage to defend, and to help all of those who are fighting against the violation of their rights. Human rights have been precious to Americans since before we were free. We have been and we will be unrelenting in our defense of those rights, not just for ourselves but for all people everywhere and always. We have fought four great wars in this century and every one of them was intimately connected with defending the human rights of peoples. Our voice will never be silent while those rights are threatened regardless of who is threatening or where that threat takes place. The torch we will hold high. We will keep it brightly burning, and we will never yield to those who would crush the human spirit nor to those who believe they have a right to violate human rights.

¹Text from Weekly Compilation of Presidential Documents of Dec. 12, 1988. ■

Libyan Planes Downed

DEFENSE DEPARTMENT
STATEMENT,
JAN. 4, 1989

At about 5:00 a.m. EST (1000 GMT) today, two Libyan MiG-23 Flogger aircraft were shot down by two U.S. Navy F-14 Tomcat aircraft operating over international waters in the Mediterranean Sea. The shootdown occurred north northeast of al-Bumbah military airfield on the northern coast of Libya.

The Navy aircraft were operating from the aircraft carrier U.S.S. *John F. Kennedy*, which was conducting routine operations in the Mediterranean Sea as part of the U.S. 6th Fleet.

The Libyan aircraft approached the U.S. Navy aircraft in a hostile manner over international waters, and the Navy aircraft, acting in self-defense, fired air-to-air missiles, downing both Libyan aircraft. Two parachutes were observed.

SECRETARY CARLUCCI,
JAN. 4, 1989

The Chairman [of the Joint Chiefs of Staff Adm. William Crowe] and I are here to present the facts of the Libyan incident, as we understand them at this point; and let me emphasize that. These are preliminary reports, and preliminary reports are never 100% accurate. There are always changes in detail. But in the interest of getting to the American public and the world in general the information that we have, we're going to present a statement based on that information, but I urge you to take into account the fact that preliminary reports sometimes do change.

This morning at about 5:00 a.m. Eastern Standard Time, or 12:00 a.m. local time in the Mediterranean, two

Libyan MiG-23 aircraft were shot down in self-defense by American F-14s with air-to-air missiles. Two parachutes were sighted, and a Libyan search-and-rescue helicopter was later detected headed for the area. The U.S. Navy aircraft were operating from the aircraft carrier U.S.S. *John F. Kennedy*, which was off the southwest tip of Crete and about 127 miles north of Tobruk, Libya.

At the time of the incident, both the ship and its aircraft were conducting training operations in international waters. The two F-14s were providing combat air patrol approximately 50 miles south of the *Kennedy*, which some 70 miles north of the northeast Libyan coast. The MiG aircraft were detected shortly after they left al-Bumbah at about 4:50 a.m. EST and were tracked as they closed the two F-14 aircraft. The F-14 pilots maneuvered to avoid the closing aircraft. They changed speed, altitude, and direction. The Libyan aircraft continued to close in a hostile manner. At about 14 miles, the U.S. section leader decided his aircraft were in jeopardy, and they could wait no longer. One MiG was shot down with a Sparrow missile. The second MiG was shot down by a Sidewinder missile at 6 miles.

These 6th Fleet ships and aircraft were operating in international waters and international airspace at the time of the incident and posed no threat to Libya. These routine operations are the same type that have been conducted in the same area many times in the past. The 6th Fleet operations have no connection whatsoever with Libya's newly constructed chemical facility. These operations, which were conducted over 600 miles northeast of the plant, had nothing to do whatsoever with that plant. We now consider this matter closed. ■

Libya's Chemical Weapons Plant

DEPARTMENT STATEMENT,

Jan. 1, 1989¹

have discussed with a number of governments, including but not limited to the Federal Republic of Germany, the serious danger posed by Libya's chemical warfare program. We and other governments are seeking to deny Libya the foreign assistance we believe is essential for full development of this capability.

With regard to West Germany, we are confident that it is taking the information we have provided very seriously in investigating fully. It has, in the past year, vigorously pursued and prosecuted such cases. Stemming from an investigation that began in November

1987, the West German Government and public prosecutors currently are looking into the activities of companies believed to have helped in the construction of chemical warfare facilities in Iraq. Like the United States, the Federal Republic of Germany is a member of the Australian group which seeks to prevent the proliferation of chemical weapons.

With regard to the Libyan chemical warfare program, we understand that the appropriate German authorities are still conducting their investigations. As with other countries with which we have talked regarding this problem, this is an on-going matter. West Germany has also announced that it is re-

viewing its export control laws. We understand that an interim report on this subject will be presented to the cabinet soon.

For our part, the United States has provided interested countries information available to us. We believe this information is conclusive with regard to the activities of various foreign firms in the Libyan chemical warfare program. Of course, whether such activities are illegal, and the role of our information on any legal proceedings, depends on the existing national laws affecting such activities. Our dialogue with the West German and other governments on this matter is continuing.

¹Read to news correspondents by Department deputy spokesman Phyllis Oakley. ■

U.S. Oil Companies Authorized to Resume Operations in Libya

WHITE HOUSE STATEMENT,

Jan. 19, 1989¹

The President has authorized the Department of the Treasury to modify the oil licenses of American oil companies operating in Libya.

In 1986, when the United States imposed broad trade sanctions against Libya, the Department of the Treasury authorized American oil companies operating in Libya to negotiate standstill agreements with the Libyan Government. Those agreements provided for a suspension of company operations in Libya to protect the companies from charges of default on their contractual obligations to work their concessions in Libya. The 1986 standstill agreements expired on June 30, 1989.

The President's decision has been taken to protect U.S. interests. It will eliminate the significant financial windfall which Libya has been receiving under the 1986 standstill agreements by marketing the U.S. oil companies' equity shares of oil liftings. It also protects the U.S. oil companies from a potential breach of contract claim, under which the Libyan Government might otherwise attempt to seize the oil companies' assets in Libya and withdraw the companies' concession rights there. The effect of the decision will be to permit the U.S. oil companies, subject to the restrictions on trade and travel which remain in effect, to resume their operations in Libya, transfer operations to foreign subsidiaries, or sell their assets.

The U.S. trade embargo against Libya and the freeze of Libyan assets in the United States, which were renewed January 7, 1989, for 1 year, remain in effect, as do the bans on travel-related transactions and the use of U.S. passports for travel to Libya.

This decision does not represent a change in the attitude of the U.S. Government toward Libya. We remain deeply concerned about Qadhafi's continued support for terrorism and subversion as well as Libyan efforts to develop a chemical weapon capability.

¹Text from Weekly Compilation of Presidential Documents of Jan. 23, 1989. ■

Territorial Sea of the United States

PROCLAMATION 5928,
Dec. 27, 1988¹

International law recognizes that coastal nations may exercise sovereignty and jurisdiction over their territorial seas.

The territorial sea of the United States is a maritime zone extending beyond the land territory and internal waters of the United States over which the United States exercises sovereignty and jurisdiction, a sovereignty and jurisdiction that extend to the airspace over the territorial sea, as well as to its bed and subsoil.

Extension of the territorial sea by the United States to the limits permitted by international law will advance the national security and other significant interests of the United States.

NOW, THEREFORE, I RONALD REAGAN, by the authority vested in me as President by the Constitution of the United States of America, and in accordance with international law, do hereby proclaim the extension of the territorial sea of the United States of America, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, and any other territory or possession over which the United States exercises sovereignty.

The territorial sea of the United States henceforth extends to 12 nautical miles from the baselines of the United States determined in accordance with international law.

In accordance with international law, as reflected in the applicable provisions of the 1982 United Nations Convention on the Law of the Sea, within the territorial sea of the United States, the ships of all countries enjoy the right of innocent passage and the ships and aircraft of all countries enjoy the right of transit passage through international straits.

Nothing in the Proclamation:

(a) extends or otherwise alters existing Federal or State law or any jurisdiction, rights, legal interests, or obligations derived therefrom; or

(b) impairs the determination, in accordance with international law, of any maritime boundary of the United States with a foreign jurisdiction.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-seventh day of December, in the year of our Lord nineteen hundred and eighty-eight, and of the Independence of the United States of America the two hundred and thirteenth.

RONALD REAGAN

¹Text from Weekly Compilation of Presidential Documents of Jan. 1, 1989. ■



Soviet troops withdraw on their way north from Jalalabad.

Afghanistan: Soviet Occupation and Withdrawal

The following report was prepared by the Bureau of Intelligence and Research as part of an annual series of Special Reports on the situation in Afghanistan.

Introduction and Summary

Although 1988 has proven to be a watershed year, the bloody conflict in Afghanistan continues. Protracted UN-sponsored negotiations concluded in Geneva with the April 14 signing of an accord between Afghanistan and Pakistan; the U.S.S.R. and the United States signed as guarantors. On May 15, in compliance with the Geneva agreement, the Soviets began to withdraw their troops from Afghanistan; by mid-August, they withdrew about one-half of their forces. The shift of military momentum toward the resistance, or *mujahidin*, probably is irreversible. Under the impact of these developments, the demoralization of the Soviet-backed regime in Kabul has accelerated.

If the Soviet Union carries out its obligation to withdraw all of its troops by February 15, 1989, the ninth year

will be the last year of the Soviet occupation of Afghanistan. Soviet General Secretary Mikhail Gorbachev concluded that Soviet involvement in Afghanistan was a "bleeding wound" and worked steadily to end it. His decision was undoubtedly influenced by a number of considerations: By 1987 the *mujahidin* had fought the Soviet/regime forces to a stalemate; Moscow's Afghan policy had alienated it from the Islamic, Western, and nonaligned countries; and the Soviets failed to find a client leader in Kabul who could capture the loyalty of the Afghan people. Furthermore, more than 5 million Afghans, approximately one-third of the country's prewar population, remained in Pakistan and Iran as refugees. Systematic terror bombings, aerial bombardment, and cross-border shelling failed to end Pakistani support for the Afghan resistance.

The December 1987 summit between President Reagan and General Secretary Gorbachev in Washington set the stage for a final round of UN-sponsored Geneva negotiations which had begun in 1982. The parties

hered in Geneva for the last time in early March. After 2 months of negotiations, an agreement was signed on April 14, 1988, to become effective on May 15: The U.S.S.R. would withdraw half of its forces by August 15 and the remainder by February 15, 1989. Afghanistan and Pakistan agreed not to interfere in each other's internal affairs.

The first phase of the Soviet withdrawal was followed by a series of reverse military reverses; Soviet troops subsequently have intervened to prevent *mujahidin* capture of key towns and cities. In late October, the U.S.S.R. introduced sophisticated air- and surface-to-surface missiles into the conflict and stated that it would suspend the commencement of the final phase of withdrawal. Nevertheless, the Soviets are obligated to withdraw the remainder of their forces by February 15, 1989.

Most observers believe that the Najibullah regime will not long survive Soviet departure. It already has begun to unravel as party desertions increase and factionalism intensifies with one group blaming the other for the ongoing crisis. In efforts to persuade elements of the resistance to join in a "national reconciliation" coalition government, Najibullah and his "nonparty" minister, Hassan Sharq, steadily increased the role of People's Democratic Party of Afghanistan (PDPA) members in the Kabul government, offered top government jobs to resistance commanders, and promised more autonomy to ethnic minority groups. However, the resistance remains unimpressed and uninterested in any such coalition.

Faced with an increasingly unstable situation, Moscow dispatched Deputy Foreign Minister Yuliy Antsov to Kabul as Ambassador in October. A party purge and subsequent ousting of Khalq faction leader Gulabzoi as ambassador to Moscow were intended to remove opponents of compromise and "national reconciliation" and to try to calm factional strife within the PDPA. It remains unclear whether the Soviets are willing or able to force the PDPA to step aside and transfer power peacefully to an interim government. If not, both party and government are destined to disappear in the wake of eventual military defeat. The shape of a post-Najibullah government has not yet emerged, but the *mujahidin* should play a central role. The United Nations continues efforts to mediate for a peaceful transfer of power and to arrange for an "interim govern-

ment." There have been a number of suggested scenarios for a transitional government, including a proposal announced by the Resistance Alliance in Peshawar on October 31. The alliance proposed holding elections inside Afghanistan for a large, representative assembly (*shura*) that would elect a new head of state and approve a new interim government. The initiation of direct talks between Soviet and resistance representatives in Taif, Saudi Arabia, in early December was a landmark development that could lead to a political settlement.

A restoration of peace, accompanied by a change in government, would result in the return of millions of refugees. Under the leadership of the UN coordinator for Afghan relief, Sadruddin Aga Khan, efforts for resettlement and reconstruction of Afghanistan's shattered infrastructure have begun.

The Soviet Decision To Withdraw

Following the direction of the U.S.-U.S.S.R. summit in late 1987, General Secretary Gorbachev announced February 8 Moscow's decision to withdraw Soviet military forces from Afghanistan. The statement climaxed a long and difficult decisionmaking process that had taken almost 3 years. The Soviet leadership recognized that there could be no military solution in Afghanistan without a massive increase

in their military commitment. In the end, Moscow was unwilling to provide the necessary support to win militarily, and there was no realistic alternative to cutting losses and withdrawing.

Domestically, the war had aggravated economic and social strains, and mounting casualties had led to widespread popular dismay. By withdrawing, Moscow also hoped to further its international image, including improving its relations with the United States, the West, the People's Republic of China (P.R.C.), and the Islamic world. The pullout also was consistent with Gorbachev's overall domestic and foreign policies. The Soviets consider a settlement, along with the INF [Intermediate-Range Nuclear Forces] Treaty, as a victory for Gorbachev's "new thinking." Subsequently, Gorbachev has stated that the Afghan settlement is a model for other regional conflicts.

Gorbachev's Offer

The modalities of the withdrawal offered by Gorbachev in his February 8 statement included:

- Beginning Soviet troop withdrawal on May 15 provided the accords were signed by March 15;
- Withdrawing in 10 months or less;
- Agreeing that withdrawing the bulk of the troops early in the process (frontloading) could be addressed in the negotiations; and
- Expecting an end to "outside interference" in Afghanistan.

Secretary Shultz meets with Afghan resistance delegation on November 9, 1988. From left to right: Masood Khalili, Din Mohammed, resistance spokesman Burhanuddin Rabbani, Mohammed Waziri, Mohammed-Saljookie, Eshan Jan Areef, Najibullah Lafraie, and Abdul Rahim.



(Department of State photo)



Gorbachev specifically stated that the establishment of a transitional government was "purely an internal Afghan issue" that was not linked to the Soviet withdrawal. He added that Moscow would not participate in talks on that issue. Gorbachev also avoided attacks on the United States and Pakistan, and seemed—as Foreign Minister Eduard Shevardnadze had during his visit to Kabul in January—to prepare domestic audiences for possible fighting in Afghanistan after Soviet troops were withdrawn. He especially praised Soviet soldiers who served in Afghanistan—a theme he would return to during the 19th Party Congress and the Moscow summit in the summer.

The Geneva Negotiations

Although Gorbachev implied that the U.S.S.R. could make a unilateral withdrawal, Moscow preferred an international agreement that would provide for an "honorable withdrawal" and for some form of commitment by Pakistan and the United States assuring the safety of departing Soviet troops. Moscow left open the option of a negotiated pullout from the early days of its occupation of Afghanistan. It participated to a limited extent in every session of the UN-sponsored indirect negotiations in Geneva since their inception in June 1982.

The Final Round

The final round of Afghan talks began in Geneva on March 2. It was preceded by a 21-day shuttle trip to Afghanistan,

Pakistan, and Iran, in late January and early February, by UN negotiator Diego Cordovez, during which he claimed to have achieved "virtual agreement" on all aspects of an accord. As in the past, the concluding negotiations were conducted as proximity talks with Cordovez shuttling between the Republic of Afghanistan Foreign Minister, Abdul Wakil, and Pakistan's Minister of State for Foreign Affairs, Zain Noorani. Representatives from the U.S.S.R. and the United States were consulted frequently.

Despite quick agreement on some key points, including the timetable for frontloading, the talks proved to be difficult. Pakistan, representing the interests of the Afghan resistance, wanted the Najibullah regime to be replaced by an interim government before the accords were initiated. Eventually it was

reed that Cordovez privately would pursue the transitional government issue after the negotiated accords were signed. Pakistan also questioned whether the U.S.S.R. should continue supplying lethal aid to its clients in Kabul during the withdrawal.

The United States was extremely concerned about the latter issue. During the negotiating process, the United States maintained that it would pursue a policy of symmetry regarding further supplies to the *mujahidin*, and made clear in a statement to the accord that: should the Soviet Union exercise restraint in providing military assistance to parties in Afghanistan, the U.S. simply will exercise restraint."

Meanwhile, Kabul's representative, Foreign Minister Wakil, seemed to perceive that a Geneva agreement would end the regime's death knell. He presented various obstacles to the talks by refusing to recognize the Afghanistan-Pakistan frontier—the "Badkhash Line"—as the international boundary between the two countries.

Apparently impatient with Kabul's stalling, Gorbachev called Najibullah to Moscow for consultations. On April 7, immediately following the meeting, Najibullah and Gorbachev released a joint-point statement announcing their willingness to sign the Afghan accord. The following day Cordovez announced that a settlement was imminent; Secretary of State George Shultz and Soviet Foreign Minister Shevardnadze proceeded to Geneva where the agreements were signed on April 14 by the Governments of Pakistan and Afghanistan, with the U.S.S.R. and the United States acting as guarantors.

Provisions of the Accords

Four instruments of the accords contain many provisions. These include:

- An agreement by Pakistan and Afghanistan to respect each others' sovereignty and not intervene in each others' internal affairs;
- An agreement by the United States and the U.S.S.R. to "refrain from any form of interference and intervention in the internal affairs" of Afghanistan and Pakistan; and
- The stipulation that there be no discrimination against or persecution of returning refugees.

The central feature, however, and the one that had taken years to negotiate, was the timetable for the Soviet



troop withdrawal: The Soviets would begin their pullout on May 15 and would have one-half of their troops out by August 15; all Soviet troops would be out by February 15, 1989.

In signing the accords, the United States, on the basis of understandings reached with the Soviets, reserved the right to continue to provide military assistance to parties in Afghanistan, while stating its readiness to exercise restraint if the Soviets did so. The United States also noted that its role as guarantor did not imply any recognition of the regime in Kabul.

However, U.S. hopes for the Soviet restriction of military assistance to the Kabul regime were not realized. The Soviets immediately announced that their departing troops would leave behind equipment and military facilities valued at more than \$1 billion and on June 13, publicly reemphasized their intention to continue supplying military hardware to the Kabul regime. Substantial deliveries of military equipment—including tanks, armored personnel carriers, and aircraft—have continued unabated throughout 1988.

Implementing the Accords

The agreement's fourth instrument presented a procedure for monitoring the accords. Cordovez was instructed to lend his "good offices" to Pakistan and Afghanistan and was authorized "such

personnel under his authority as required" to investigate possible violations. Fifty military officers, drawn from existing UN peacekeeping operations, were seconded to Pakistan and Afghanistan under the command of General Rauli Helminen of Finland. The group, known as the UN Good Offices Mission in Afghanistan and Pakistan (UNGOMAP), was formally established by the Secretary General on April 26 through an exchange of letters with the President of the Security Council. Pakistan and Afghanistan pay operational costs while the United Nations funds travel expenses, equipment, and salaries. On October 31, the Security Council voted to regularize UNGOMAP's status through a formal resolution.

UNGOMAP has made a significant contribution in monitoring the Soviet withdrawal. On August 16, it certified that the U.S.S.R. had complied with the Geneva accords by withdrawing one-half of its troop strength. It remains poised to oversee the final withdrawal as well.

Under the accords, reports of alleged violations are submitted to the local UNGOMAP office and to UN offices in Geneva; they are to be discussed by the two countries within 48 hours of submission. Since the accords have been in effect, Kabul has frequently accused Pakistan of supporting the *mujahidin* in violation of the Geneva accords. Pakistan has denied such

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charges and, for its part, charged that Afghan terror bombings, shelling, and aerial bombardment of Pakistani territory were violations. UNGOMAP has not, as yet, confirmed any allegations of violations.

The Impact of Geneva on the UN Annual Resolution

The United Nations has debated the Afghanistan issue every year since 1979, condemning the Soviet occupation by a generally increasing margin: In 1987, the 42d UN General Assembly vote was 123 to 19 with 11 abstentions—a record vote. This year, as a direct consequence of the Geneva accords and the completion of one-half of the Soviet pullout, the parties agreed on a consensus resolution. The resolution was passed on November 3 without debate.

The consensus resolution specifically states that the situation found today in Afghanistan results from "the violation of principles of the Charter of the United Nations and of the recognized norms of inter-state conduct." It welcomes the Geneva accords and calls on all parties to implement them faithfully. The resolution "notes the continuing process of withdrawal of foreign troops from Afghanistan and expresses its expectation that the withdrawal will be completed in accordance with the relevant provisions of the Geneva agreements." It further calls on all foreign powers not to interfere in Afghanistan's internal affairs and for the establishment of a "broad-based government."

By agreeing to the resolution, the Soviet Union reaffirmed its commitment to fulfill the provision of the Geneva accords, specifically the removal of its troops by February 15. The resolution also makes clear that foreign (i.e., Soviet) forces are responsible for the war and destruction in Afghanistan.

Resistance Opposition to the Accords

Peshawar's seven party alliance, the political leadership of the resistance, opposed the Geneva talks from their inception arguing that the Kabul regime is illegitimate and has no authority to engage in such negotiations. The alliance maintains that the Afghan conflict can be settled only by direct talks between itself and the Soviets. Further-

more, the alliance was concerned that the Geneva accords might lead to diminished military support, putting it at a disadvantage *vis-a-vis* Kabul's forces. On April 16, just 2 days after the accords were signed, the Resistance Alliance sponsored a massive rally in Peshawar to register its displeasure. Resistance spokesmen vowed to continue the war against the Najibullah regime.

The Military Situation

The Soviet withdrawal decision, which led to the Geneva accords, was influenced heavily by battlefield events in Afghanistan. In the final analysis, Moscow deemed the overall costs of pursuing a military solution to be too high.

Conflict Dynamics

From the beginning the U.S.S.R. directed and dominated the military effort. During the first 8 years of the conflict, Soviet commanders and advisers orchestrated virtually all military operations; Soviet airpower provided the mobility and firepower needed to apply modern counterinsurgency tactics; Soviet *spetsnaz* (special forces) troops ambushed *mujahidin* supply columns; and the Soviets controlled key locations and facilities as well as the main road network.

By itself, the Kabul regime has never been able to mount a credible military effort. The Afghan army, comprised predominantly of conscripts, is plagued by low morale, chronic defections to the *mujahidin*, and inadequate transportation and logistic capabilities. Primarily it has performed garrison duty and participated in Soviet-planned sweep operations. Ministry of Interior security troops, members of the Afghan secret police (KHAD, later known as WAD), and other special units have been more reliable but are too few to tip the balance against the *mujahidin*. The U.S.S.R. has supplied regime forces with great amounts of modern equipment in hopes of creating a military capable of functioning on its own after the Soviet departure. This strategy does not address the fundamental problem, however, which is a lack of motivated and trained Afghan army personnel.

Over the years the resistance steadily built up a hard-core cadre of experienced commanders capable of planning and carrying out effective, though limited, military operations. Consequently—until the Soviet decision to withdraw—the war was characterized by periods when new Soviet equipment and tactics caused the *mujahidin* considerable difficulty followed by periods of *mujahidin* adjustment and resurgence. In the last such cycle, the Soviets used improved tactical intelligence, *spetsnaz*, and helicopters in concerted assault on *mujahidin* supply lines. But within a year, resistance gists were moving faster than ever.

The *mujahidin's* acquisition of face-to-air missiles (SAMs) was critical to their ability to counter these Soviet tactics. Since late 1986, when SAMs were used in significant numbers, the *mujahidin* were able to move with constant fear of Soviet helicopter attacks. This SAM capability soon forced all Soviet aircraft to fly higher with much less effectiveness, and the resistance supply and morale situation improved dramatically.

Improved Mujahidin Position

By early 1988, the *mujahidin* had seized the tactical initiative. Soviet troops reacted to situations created by the resistance while attempting to breathe life into the moribund Afghan army. Important changes in *mujahidin* strategy during the year, the impact of which has been magnified by Soviet withdrawal, underscore this basic change in battlefield dynamics.

First, the level of cooperation among groups fighting inside the country reached unprecedented levels. *Mujahidin* commanders, aware of the value of such cooperation, set aside previous differences and suspicions to achieve the common goal of evicting the Soviets and the Najibullah regime from Kabul. Operational coordination among commanders representing different resistance parties in various localities increased markedly. Moreover, they have shared captured supplies as well as intelligence, and some groups have shared fighters for given operations, occasionally dispatching guerrillas from one region to another.

Second, in mid-year, *mujahidin* commanders decided to avoid costly frontal assaults, opting instead to maintain the classic guerrilla strategy

rounding, isolating, and harassing garrisons and then waiting for them to surrender. In many cases, this tactic has included the negotiated surrender of most or all of the regime defenders. Employing such tactics against heavily garrisoned regime garrisons, such as Herat, put increased pressure on their manpower resources. Some *mujahidin* commanders did not attack departing Soviet formations, preferring to concentrate on the regime and to build up their forces for a future possible full-scale attack against Kabul.

With military supplies more abundant than ever—including tons of materiel captured from the regime—*mujahidin* commanders were able to field more men than ever before. As it soon became apparent, weapons were plentiful, and capable commanders were leading operations in the field.

Soviet Withdrawal

Geneva accords called for a 50% reduction of Soviet forces in the first 3 months, May 15–August 15. Most Western estimates put Soviet troop strength at about 120,000 men, counting all Soviet military personnel in country. Soviet officials conceded to only 100,300 troops in Afghanistan.

Early Soviet plans appear to have included a withdrawal first from the north (Jalalabad-Gardez-Ghazni) and then from the east (Kabul) and the south and west (Qandahar-Shindand). But as the withdrawal began, the security situation became so desperate in the Qandahar area that this plan was discarded. Instead, some troops remained in Shindand and Herat, while troops from Konduz and Jalalabad in the north withdrew. After an extensive, 11th-hour airlift operation from Qandahar and other areas in early mid-August, the Soviets essentially managed to meet the requirement to withdraw 50% of their forces by August 15.

The first units to leave were some of the best, most mobile formations the Soviets had in Afghanistan. For example, most *spetsnaz* troops and an airborne brigade had been removed by August 15, probably because their mission of border interdiction no longer was important. Other units withdrawn included independent brigades and regiments which had demonstrated effective combat capabilities.

The drawdown of Soviet personnel highlighted the weaknesses of the regime. The departure of Soviet troops from an area usually led to significant

Control of the Provinces



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mujahidin gains. But Soviet troop morale also declined significantly, as evidenced by increased incidents of public drunkenness, drug use, unauthorized sale of weapons and ammunition, indiscriminate firing of weapons, and even assaults on Afghan civilian "allies."

After August 15, the Soviets began reorganizing and preparing for the last phase of removing the remaining 50,000–60,000 troops. Soviet troops remained in only two corridors in northern Afghanistan: from Kabul north to the border and, in the west, from Shindand north to the border. This force—supported by additional aircraft based in the U.S.S.R.—remained quite capable of conducting major operations around important garrisons and securing the lines of communication to the U.S.S.R.

Renewed Soviet Activities

Soviet reliance on Afghan security forces to maintain control of provincial capitals proved to be overly optimistic. In late October and early November, the Soviets responded to a general deterioration of the security situation—including a severe *mujahidin* threat to Qandahar and heavy rocket attacks on Kabul—with new deployments. A MiG-27 Flogger regiment with more

than 30 aircraft arrived at Shindand airfield in late October, and by early November SCUD launchers were deployed to the Kabul area—both new weapons in the Afghan conflict. SCUD missile firings began almost immediately, as did heavy air strikes by aircraft stationed across the border inside the U.S.S.R.

Missions by Soviet-based Tu-22M Backfire strategic bombers and Su-24 Fencer aircraft became routine, along with strikes by the Afghan-based MiG-23, MiG-27, Su-25, and Su-17 aircraft. The bombing was concentrated around Qandahar, in the Kabul area, and Jalalabad, as well as along the withdrawal routes. As in earlier instances of Soviet conventional warfare against the *mujahidin* guerrillas, the latest Soviet military escalation has had only a limited effect on the resistance.

In early November, Moscow "suspended" the second phase of its troop withdrawal, which it previously had announced would begin November 15. In fact, the Geneva accords do not require the Soviets to resume their withdrawal by any specific date as long as it is completed by mid-February. During a visit to Kabul in mid-November, Oleg Baklanov, Central Committee Secretary of the Communist Party of the Soviet

Union (CPSU), said troops would return to the Soviet Union in strict compliance with the timetable of the Geneva accords. A bilateral protocol on military and economic cooperation also was signed during Baklanov's visit.

These steps were designed to apply political as well as military pressure on the resistance and Pakistan. They proved fruitless, however, as the resistance and the Pakistan Government reiterated their determination not to be intimidated by Moscow. Moscow's escalation also has contradicted earlier Soviet assurances that it would not engage in offensive operations unless attacked. Moreover, launching military operations from Soviet territory runs counter to Soviet undertakings in the Geneva accords not to intervene in Afghanistan's internal affairs.

Combat Operations

The Soviets and their allies had been losing outposts and small garrisons for some time before the Soviet withdrawal began. Subsequently, this deterioration accelerated dramatically. As Soviet forces vacated areas (mainly in eastern and southern Afghanistan), the Kabul regime forces began retreating from outlying areas to consolidate with its major garrisons. By the end of the year, Kabul could not claim to have increased control anywhere. Qandahar and Jalalabad, the two largest urban areas outside Kabul, were under heavy *mujahidin* pressure. The deteriorating

situation in Qandahar apparently prompted the Soviet long-range bombing campaign which began in early November.

An unprecedented number of *mujahidin* victories vividly exposed the weak core of the Najibullah government. By the end of May, Commander Masood's men had recaptured the entire Panjsher Valley. Some posts were vacated, others overrun. In total, the resistance scored a stunning victory in an area hotly contested throughout the war. Control of the Panjsher shortened *mujahidin* supply lines and extended Masood's influence toward Kabul and the Salang area. In October, regime forces were pushed out of the Konar Valley, the northern gateway to Jalalabad.

By November 15, five province capitals were in *mujahidin* control despite the Soviet/regime tactic of heavily bombing urban areas under resistance control. The *mujahidin* controlled Asadabad (Konarha Province), Taloqan (Takhar Province), Bamian (Bamian Province), Zareh Sharan (Paktika Province), and Mahmud-e Raqi (Kapisa Province). Other provincial capitals, such as in Laghman, Oruzghan, and Ghown, were seriously threatened. However, the resistance, concerned over Soviet reprisal against civilian populations, has avoided taking control of urban centers.

At the same time, the road between Kabul and Qandahar was cut in

numerous places. Qandahar itself was completely surrounded with supplies for regime troops arriving by air; and occasional heavily armored convoys using the road from Shindand. The situation in and around Qandahar worsened daily, including a major regime defeat at Spin Buldak in early September. The *mujahidin* capture of the Pol south of Qandahar at the end of the month brought the airport, 26 kilometers south of Qandahar, within rocket and mortar range. *Mujahidin* forces cut the airport road in several places, threatening the regime's ability to hold out in Qandahar.

In late October-early November, the focus shifted to the area from Jalalabad to the Pakistani border. Resistance fighters captured the border post of Torkham and a number of strongpoints along the road to Jalalabad. A regime counterattack—armed vehicles and reinforcements brought in from as far away as Mazar Sharif—recaptured Torkham in mid-November but lost it again later in the month to a resistance counterattack. Regime units sent to push back the *mujahidin* defected en masse, and resistance continued to gain ground in its advance toward Jalalabad. Around Kabul, the *mujahidin* position also improved this past summer and fall.

The Regime Armed Forces

Reeling under the pressure of an unbroken series of defeats, retreats, consolidations, the Afghan army is a demoralized force. Poorly led but better equipped than the *mujahidin*, the army has not expanded its control anywhere in the country over the last year. Experts agree that it probably can survive no more than a matter of months after a complete Soviet withdrawal.

Since the withdrawal started, the Afghan army was defeated at Ali Kheyl, Spin Buldak, and in the Konar and Panjsher Valleys. The *mujahidin* efforts in the Konar Valley are particularly noteworthy since they took Istok, the garrison nearest the Pakistani border, and then methodically moved down the rest of the valley. Army personnel could not have been surprised nor could they claim that they were from supporting bases and supplies. Apparently, they simply did not have the will to stand and fight where the *mujahidin* did. Likewise, in the r

Mujahidin in prayer.



duz was captured by the *mujahidin* soon as Soviet troops departed in 1988. The regime was able to retake the city only after major intervention by the Soviets, who provided command and control as well as artillery and air support.

After Soviet troops leave, the regime's ability to use its arsenals of Soviet equipment effectively will be severely limited. Regime pilots, in short supply, are reluctant to fly into threatened areas. The regime lacks the capability to provide local support to the cities, towns, and outposts it is attempting to hold.

In addition to shortages of trained and capable officers, the regime is chronically short of manpower. Desertions keep the ranks poorly filled, but with soldiers of dubious allegiance. The army probably does not have more than 40,000 troops. The regime has bribed tribal militia leaders to increase overall strength. However, most tribal leaders are keen on local watchers; if they sense the regime coming apart, they are likely to ally with the *mujahidin*, regardless of what Kabul may pay. Kabul may be able to count upon some 25,000 militia. The PDPA and *sarandoy* (paramilitary police) are generally considered to be Kabul's most loyal and capable personnel. Both have had their share of desertions—an attempted coup in Qandahar led by KHAD personnel in late 1987—and, because of internal power rivalries, they sometimes fight each other. These combined services number fewer than 35,000. Thus, Kabul forces total about 100,000—far too few to simultaneously hold territory and carry out operations against the *mujahidin*.

Throughout 1988, Soviet weapons, money, and other aid continued to flow to the regime. Some replaced equipment was lost in battle, but excess weapons continue to attempt to strengthen the regime through their use.

The Kabul Regime

Political Developments

The past year was an unusually difficult one for the PDPA and the regime government. The Soviet decision to withdraw its military forces, which have provided the underpinning for the Kabul regime's survival for 9 years, forced party chief President Najibullah and other key leaders to confront the possibility—indeed, the probability—that both party and government would soon lose power and disappear.

The regime, under Soviet guidance, has followed a two-pronged strategy in an attempt to avoid disaster. It made desperate efforts to shore up its military forces, and it reduced the PDPA role in the central government to induce "opposition elements"—i.e., resistance commanders—to agree to a cease-fire and to join a coalition government. Ironically, however, Najibullah's elaborate "national reconciliation" scenario only exacerbated deep factional rifts within the PDPA and accelerated the unraveling of the regime.

National Reconciliation Policy: A Parliamentary Facade

As president and party chief, Najibullah has tried to make the concept of national reconciliation appealing and credible to the Afghan people and internationally. Following a Soviet script, he created the facade of the infrastructure for a parliamentary democracy, in which the PDPA party would appear to have a minimal role. Simultaneously, he has stressed the Islamic nature of this new government. The process began in late 1987 with the adoption of a new constitution and the forming of new political parties, including an "Islamic Party," to join the PDPA in a coalition.

Elections

In accordance with the new constitution, elections were held April 5–15, 1988, for a national parliament, or *melis shura*. Voters elected candidates for a lower house (*wolasi jirga*) and one-third of the senate (*sena*); the remaining senators were to be appointed from special interest groups. The March 17 establishment of an election commission and announcement of the election regulations left little time to make arrangements for the elections, thus reducing the credibility of the exercise. Observers reported numerous infractions of the election laws: There were

no secret ballots; candidate lists were not published until after the polls opened; polling booths were unmanned; and 13-year-old children voted (the legal age is 18). In fact, these anomalies were only the most obvious means of fraud and coercion used to achieve the desired results. The resistance, of course, opposed the elections, and despite the regime's efforts, turnout was minimal even in areas under regime control. Resistance interference effectively prevented elections in most of the country.

None of these problems prevented the regime from declaring the elections a success and claiming that 1½ million people voted. The point of the exercise was to establish a parliament in which the PDPA would appear to be a minority, in order to give credibility to the national reconciliation policy. This was achieved by having non-PDPA associates of the regime run as members of small left-wing parties—two of which participated in a coalition with the PDPA—or as individuals representing various front organizations. Najibullah also stressed from the beginning that a significant number of seats would be saved for the "opposition"—by which he meant members of the resistance. The net result of Najibullah's reverse rigging scheme was that the PDPA technically won only 22% of the parliamentary contests.

A New Government

The new parliament that convened on May 30, 2 weeks after the Geneva accords became effective and the beginning of the Soviet troop withdrawal, consisted of 184 lower house deputies and 115 senators; 62 house and 82 senate seats were left vacant for the resistance "opposition." Non-PDPA member Mohammed Hassan Sharq was selected by President Najibullah to be the new prime minister, replacing party stalwart Sultan Ali Keshtmand. The appointment was intended dramatically to reinforce the point that the PDPA was going to take a back seat; in fact, the new constitution vests key powers in the presidency, and there was no indication that Najibullah was prepared to give up that central role. In any event, Sharq's long-time association with the Parcham wing of the party, dating back to the Daoud government (1973–78), made the "non-PDPA" appellation meaningless. Sharq had served as the regime's deputy prime minister since June 1987 and before that as its Ambassador to India.

Likewise, on June 7, when Sharq announced his cabinet, consisting of 11 new members and 10 former ones, the nonparty credentials of the "new" ministers were undermined by the fact that most had served the regime government previously in other capacities. Furthermore, the powerful ministries of interior, state security, and foreign affairs remained in PDPA hands. The major exception was the effort to enlist a resistance commander or a respected retired general from an earlier era to become minister of defense. This post remained open for some time, but in August it finally was given to Army Chief of Staff General Shahnawaz Tanai of the Khalq faction. Thus, almost 2 years after he announced the national reconciliation policy in January 1987, Najibullah has been unable to attract a single major figure of the resistance or prominent Afghan refugee to join the government.

Multiple Parties

Creating the appearance of a multi-party system is basic to Najibullah's national reconciliation policy. At the time of the April elections, the PDPA pressured two small northern ethnic parties—the Workers Organization of Afghanistan (SZA) and the Workers Revolutionary Organization of Afghanistan (SAZA)—to join it and run as a front called the Left Democratic Union. In July, Najibullah officially recognized two more new parties: the "Union of Ansarullah" party, based in southern Afghanistan, and the "Movement of Solidarity of the People of Afghanistan" party. An early September conference of political parties and organizations brought seven parties together. But the proceedings indicated that these small and primarily local organizations representing minority and regional interests were not able to gain converts for national reconciliation. Indeed, some new parties appeared to have joined the chorus of Najibullah's critics.

Zones of Peace and Neutrality

As soon as the Soviet withdrawal preparations were underway in late April and May, resistance pressure and the need to man major garrisons vacated by the Soviets forced the regime to pull back from smaller exposed positions near the Pakistan border. Consequently, Najibullah decreed the recently vacated area as "demilitarized zones" along the border to facilitate the return of refugees. The gesture was

futile; the *mujahidin* continued their steady advance, and the refugees did not come back.

By the end of the summer, the pressures produced by a series of successful resistance military offensives and by the failure to make any headway on the political front had intensified. In his September 1 speech to the political parties' conference, Najibullah introduced the idea of establishing zones of peace and neutrality, where full provincial power would be ceded to the "opposition." Once again, Najibullah was trying to make it appear that the government was voluntarily ceding power in areas that the resistance had already occupied or taken over by force.

Ethnic and Autonomy Issues and Administrative Controls

During the year, two new provinces were created—Sar-e-Pol in the north and Nuristan in the northeast—by carving out territory from adjoining provinces.¹ In each case, the purpose appears to have been to create a new entity where an ethnic minority—the Hazaras and Nuristanis respectively—would dominate. This readjustment would guarantee representation in the new parliament for these ethnic groups. At the same time, the Sharq government has abolished the special ministry for nationalities that carries connotations of a Soviet-style system.

In mid-March, when the regime named a special deputy prime minister to look after the northern areas, rumors spread that Moscow and the regime were considering partitioning Afghanistan if the regime were driven out of Kabul. Actually, as the government later announced, the plan was to divide the entire country into zones, each with a super chief. The government hoped that with this arrangement, it could improve central control over provincial areas, while allowing more local—and ethnic—autonomy. The theory was that if local ethnic groups and tribes were given more responsibility for their own areas, they would stop fighting the regime. But the plan will not be implemented as the resistance forces the pace of the regime's downfall. Meanwhile zones of a different kind may be created; the government is considering amalgamating provinces that have fallen to the resistance with neighboring provinces where the provincial capitals still remain—at least nominally—under Kabul's authority.

PDPA: Party Strife

From the beginning of the year, it has been apparent that the withdrawal decision seriously has strained the already fractured PDPA. Two powerful groups within the party, the Khalqis led by former Interior Minister Saye Mohammed Gulabzoi, and alienated Parcham supporters of former party chief Babrak Karmal, have consistently opposed Najibullah's national reconciliation policy. Both groups have accused Najibullah of cooperating with a Soviet sell-out of the April 1978 "revolution" they would prefer to continue the war rather than make further political concessions which could lead to a transfer of power from PDPA hands. Earlier the Babrakists also were blaming Najibullah for letting the Khalqis amass too much power. By the end of the year, however, they appeared to be making common cause with the Khalqis in fighting against Najibullah.

Najibullah has tried to undermine his critics by removing them from party and government positions. The three PDPA central committee plenums during the year, January 27–28, June 22, and October 19, at which "organizational"—i.e., personnel—matters were high on the agenda, were extremely divisive. The period of forming the new Sharq government in May also was particularly difficult as Najibullah tried to exploit the policy of opening up ministerial posts for the "resistance opposition" as a way to remove his own opposition—particularly his chief adversary, Gulabzoi.

Najibullah has found it easier to remove Babrakists and other Parcham challengers than the Khalqis. The January plenum demoted two prominent Babrakists. In late May, Prime Minister Sultan Ali Keshtmand and Defense Minister Mohammed Rafie were eased out to free spaces in the new government for nonparty candidates. The 22 plenum was billed as a party unplenum—presumably to calm the agitation triggered by the May upheaval. The most notable personnel action was the elevation to full membership on the central committee of a group of high ranking military officers. But by the time the party was in shambles. At the October 19 plenum, many party mem-

ly Babrakists and including some central committee members, were arrested; a formerly close associate of Babrak Karmal, Abdul Zohor Razmjo, had already been replaced as the provincial party chief in January, and moved from the Politburo. Najibullah, however, had more trouble eliminating his Khalq opponents, who were firmly entrenched in the defense and police establishments. The Minister of Interior, Gulabzoi, commanded his own private army—the *sarandoy*, a special police militia force. Instead, the escalating military crisis shifted the focus on defense—it was the main issue at the January and June plenums—appears to have helped Gulabzoi consolidate and broaden his power base through much of the year. Spreading rumors about a possible Gulabzoi-led coup against Najibullah reduced Najibullah's apparent inability to oust his major challenger as well as the intensity of the power struggle. Meanwhile, repeated efforts to force party members to sign up for military service have had an extremely negative effect on party cadre morale.

After years of trying to enforce discipline between the warring PDPA factions, the mid-October arrival in Kabul of Soviet Ambassador Yuliy Vorontsov seems to have been a turning point in Soviet policy toward party infighting and the fortunes of Gulabzoi. Although most party dissidents arrested at the October 19 plenum were Babrakists, some Khalqis also were detained. Furthermore, Gulabzoi was unable to prevent the Khalqis' most adept commander, Saleh Mohammed Zeary, a member of the Politburo since April, from being dropped from that body. Throughout the year, Zeary had been outspoken in his criticism of Najibullah's policy. Finally, on November 8, Gulabzoi himself was unceremoniously dispatched to Moscow as the new regime ambassador. Gulabzoi's removal was a strong indication that the Soviets want to see the evolution of the national reconciliation policy and hope that it can lead to a political settlement. As the February deadline for the Soviets to complete their withdrawal approached, the need to achieve such a settlement became more urgent. Therefore, Gulabzoi's militant opposition to the regime could be tolerated no longer. Without Gulabzoi, the intensity of the Khalq-Parcham struggle may diminish, but it is not over. Another old-time leader, Mohammed Aslam Watanjar, often named as the new Minister of

Interior—a move that may have been necessary to try to calm resentment among Khalqis and within the *sarandoy* over Gulabzoi's abrupt dismissal. Meanwhile, continuing rumors anticipating more party purges of former Babrakists indicates that the party remains in turmoil.

The Search for a Political Solution

During the final Geneva negotiations, Pakistan dropped its demand for the installation of an interim government prior to concluding the accords, in return for an agreement that UN negotiator Cordovez would continue to pursue the issue in his personal capacity after the accords went into effect. Although most participants in the Afghan struggle would have preferred a negotiated political settlement to the conflict, achieving a consensus agreement on an interim government has proven to be difficult.

The obvious problem is that the Najibullah regime has resisted agreeing to its own demise, while the Resistance Alliance has steadily rejected joining any coalition with the regime and insists on a transfer rather than a sharing of power. The U.S.S.R., for its own interests as well as those of its clients, staunchly has backed Kabul's position, hoping to preserve the PDPA as an institution and a residual role for some regime members. But the Soviets ultimately may decide they have an overriding interest in obtaining a negotiated resolution before their departure. Subsequently, the situation in Afghanistan at the end of 1988 may lead Moscow to support the departure of the PDPA.

Kabul's View of a Political Settlement

As originally conceived, the objectives of Kabul's national reconciliation policy were a cease-fire and a political settlement allowing the PDPA to retain control through the all-powerful presidency as well as the military and security ministries. Over time, Najibullah has accepted the more modest goal of preserving the party as an entity in a future government. However, the continued lack of interest by the *mujahidin* political leaders in Peshawar and the military commanders inside Afghanistan in participating in such a government presents the regime, and Moscow, with a critical challenge. The

key question remains whether they will agree to a transfer of power to achieve a political settlement.

Rumors since early August—when Foreign Minister Shevardnadze made his third visit to Kabul this year—suggest that Najibullah would step down, leaving Prime Minister Sharq to arrange for an interim government of neutrals. When he visited Moscow in September to sign economic aid agreements, Sharq was given a public relations buildup by the Soviets, fueling further speculation that he had been picked to play a key future role.

Expectations were raised in mid-October when the international press gathered in Kabul for an anticipated historic PDPA central committee plenum. After more than 1 week's delay, during which new Soviet Ambassador Yuliy Vorontsov arrived in Kabul, the plenum produced no dramatic change in the top leadership. However, the attendant arrests and demotions of party dissidents and the subsequent exile of the intransigent Khalq leader, Minister of the Interior Gulabzoi, to Moscow as Ambassador, may offer a more flexible PDPA approach to the interim government issue.

The Resistance

Planning for an Interim Government

Leaders of the Afghan resistance movement—both the seven alliance party chiefs in Peshawar, Pakistan, and the commanders inside Afghanistan—have been primarily preoccupied with the military struggle against the Soviets and the PDPA regime. During 1988, however, with the signing of the Geneva accords and the 50% withdrawal in August of Soviet troops, the resistance leadership has paid progressively more attention to pressing political issues.

During the weeks preceding the signing of the Geneva accords, the alliance, together with Pakistan, opposed signing the accords before installation of a transitional government in Kabul. The anticipation of a withdrawal settlement, enhanced by Gorbachev's February 8 statement and Najibullah's aggressive campaign for a cease-fire and a coalition government, put pressure on the alliance to develop its own interim government proposal. On January 31, the alliance issued a general statement calling for a government in Afghanistan composed of the resistance, refugees, and "Afghan Mus-

lims living inside the country." This latter phrase was as far as the resistance was prepared to go in response to Najibullah's call for a coalition government. As no member of the PDPA would be considered a good Muslim by the resistance, it constituted a rejection of any future role for dedicated PDPA members.

Three weeks later, on February 23, the alliance followed up with a more detailed blueprint for a transitional government to take over in Kabul pending national elections. The formula included a supreme council of the seven party leaders, a head of state and government, and a 28-member cabinet made up of 14 *mujahidin*, seven refugees, and seven Muslims "now living in Afghanistan."

Subsequently, Engineer Ahmad Shah, deputy leader of Abd ul-Rassul Sayyaf's *Ittihad-i-Islami* party, was chosen to head the government. His government eventually included two deputy prime ministers and cabinet officers from among the different parties. A constitution was adopted that was based exclusively on Koranic law. The cabinet met several times and sent a team into Afghanistan to examine possible sites for a temporary in-country headquarters.

In late June-early July, UN negotiator Cordovez once again visited the region. His mission was to check on UN monitoring of the Geneva accords and to discuss with the various parties his ideas about a future interim government. At a press conference in Islamabad at the end of his visit, Cordovez revealed his proposal for an interim government of neutrals or technocrats, who would call for a cease-fire and organize a *loya jirga*. The latter, a traditional Afghan assembly of acknowledged and respected leaders, would make arrangements for choosing a future permanent government. Cordovez's plan first called for the Najibullah government to step aside. It was publicly rejected by Najibullah and other PDPA representatives and by a number of resistance elements.

The Resistance Alliance, in an apparent split decision, voted not to meet with Cordovez during his visit. Pir Sayyid Ahmad Gailani, who was serving as chairman/spokesman of the alliance, indicated in a June 30 press conference that some parties would have welcomed a meeting. Gulbuddin Hikmatyar, who had served as the immediately preceding chairman, held a press conference on July 6 in which he

rejected Cordovez's call for a neutral government and for a *loya jirga*, both of which he described as tribal and feudal institutions. He stated that the only solution to Afghanistan's problems lay in general elections.

Both Gailani and Hikmatyar revealed that the alliance was then in the process of working out the modalities for elections to establish a *shura* composed of representatives from each of Afghanistan's districts as well as refugees. The *shura* ultimately would accept or reject the alliance-sponsored Ahmad Shah government and would arrange for general elections after the Soviet departure.

Hikmatyar said that the elections for the *shura* would be held within 105 days—i.e., by October 19. However, nothing happened until October 31, when new alliance spokesman Burhanuddin Rabbani announced a new, more comprehensive plan for a larger and more broad-based *shura*. Under the new plan, in addition to representatives from each of Afghanistan's districts and refugees, a large number of delegates would be nominated from among *mujahidin* commanders, tribal leaders, and representatives of the expatriate technocrats. The *shura* would hold a vote of confidence on the Ahmad Shah provisional government, and if it were rejected, would create another interim government in its place.

The alliance, however, has had, and probably will continue to have, difficulty implementing its plans. It is difficult to hold elections for district representatives to a *shura* in areas where intense fighting continues. In some cases, local councils of *mujahidin* commanders might agree on someone to represent the area. A growing number of such local councils have been formed inside Afghanistan to coordinate military operations and also civil administration in areas that have come under *mujahidin* control. But in other cases, party or tribal competition would make such a consensus impossible.

Conceiving and implementing an effective interim government proposal also has been hampered by the differing viewpoints in the alliance, as revealed in the split over whether or not to meet with Cordovez. One longstanding point of contention has been over a possible role in an interim government for the former king, Zahir Shah. However, there appears to be agreement within the alliance that it would be preferable to reach a political settlement before the February 15 deadline for the Soviet troop departure.

The Soviet Position and the Taif Talks

The Soviets, who probably authored Kabul's national reconciliation scenario, have steadily backed Najibullah's call for a coalition government that would include PDPA representation. They have insisted that the question of a future government is for the Afghans alone to decide. Thus, they have pushed for the alliance to enter into direct talks with the Kabul regime.

The Soviets also had consistently refused to meet with representative of the alliance, despite the latter's claim that only through such bilateral talks could the Afghan crisis be settled. (An exception had been some unpublicized discussions in Europe with representatives of one of the alliance parties—the prisoner-of-war (POW) issue.) The Kabul government was adamantly opposed to the idea of Moscow talking to the alliance, no doubt fearing that the Soviets might reach agreement independently.

Moscow intensified its search for a political solution following the completion of the first phase of the troop withdrawal in mid-August. In October, Vorontsov was sent to Kabul to lend diplomatic experience to the search. In early December—in a major change in Soviet policy—he was sent to Taif, Saudi Arabia, to meet with the alliance's current chairman, Burhanuddin Rabbani.

Since the decision to meet directly with the alliance, despite Kabul's objections and Moscow's previous uncertainty, Moscow now appears ready to explore all options that could lead to a political settlement. The only agreement to emerge, however, was to continue the talks.

Soviet Concerns Over POWs

Moscow remains concerned over the fate of its soldiers missing in action (MIA). It estimates that the number of MIAs exceeds 300, although there is no accurate figure regarding how many Soviet MIAs may actually be alive in the hands of the *mujahidin*. In response to Soviet charges, the Government of Pakistan said that no Soviet prisoners were on Pakistani territory. Moscow and the resistance declared their readiness to discuss this issue directly. A resistance delegation met Soviet officials in Islamabad to discuss this issue in November, after which an agreement to exchange prisoners was announced.

Afghanistan in the Regional Context

Pakistan

Pakistan remains the outside nation most affected by events in Afghanistan. As a result of the Soviet invasion and occupation, Pakistan eventually played host to some 3 million refugees and has conducted terrorist campaigns and shellings of its territory. Pakistan has hosted the leadership of the Afghan resistance and has advocated the *mujahidin* cause in the United Nations, the Nonaligned Movement, the Organization of the Islamic Conference. Pakistan played the key role in the long and tortuous negotiations leading to the Geneva accords. At Geneva, despite considerable pressure from the U.S.S.R. and the Afghan regime, Pakistan did not relent on points of principle. Pakistani steadfastness was instrumental in getting the Moscow/Kabul side to make considerable concessions. The Soviets, for example, first insisted that 4 years would be required for a withdrawal. They eventually agreed to a 9-month timetable. Pakistan consistently refused to recognize the PDPA regime and insisted on an indirect proximity talks formula throughout the long years of negotiations. As noted earlier, Islamabad pressed to include a provision in the accords for a neutral interim government to supersede the discredited PDPA regime and end the fighting. While Pakistanis have expressed frustration at the seemingly endless conflict—the millions of refugees as well as the often bloody sabotage missions, shellings, and aerial bombings from across the border—have been remarkably consistent in their support of their government's position. At no time has it been suggested seriously that the country capitulate to expel the resistance and the refugees, and come to terms with Kabul. This steadfastness in the face of years of hardship has impressed the international community. The signing of the accords and the beginning of the Soviet withdrawal greatly buoyed spirits in Pakistan. A poll showed that fully 68% of the respondents favored continued aid to the refugees, and 60% felt the *mujahidin* would win the war. The option is increasing that the *mujahidin* are on the verge of victory. The August 17 death of President Zia-ul-Haq in an airplane crash did not

affect Pakistan's Afghan policy as his successor as head of state, Ghulam Is-haq Khan, steered Pakistani policy in the same direction. Following the November 16 elections, opposition leader Benazir Bhutto became the new Prime Minister and publicly indicated full support for Pakistan's Afghan policy.

India

India was one of the few noncommunist states not to join the wave of international protest that followed the Soviet invasion. Although New Delhi did not protest the invasion, it did not support it and has expressed its desire on many occasions to see the Soviet troops depart.

India has maintained friendly relations with the Kabul regime. In 1987 India's Foreign Minister met senior Afghan officials in Kabul, sponsored a trade fair in Afghanistan, assisted Afghan officials seeking membership in the South Asian Association for Re-

gional Cooperation (SAARC), and supported Kabul in the United Nations and nonaligned forum.

On May 3-5, 1988, Najibullah made a state visit to New Delhi; India has been the only noncommunist country to accord full state honors to Kabul. Although Prime Minister Rajiv Gandhi received Najibullah, no significant agreements emerged, and while India maintains economic and cultural links with Afghanistan, it has publicly stated its intention not to provide the regime with large-scale aid. Although India again sponsored Afghanistan's membership in SAARC in 1988, the group decided not to consider the application until a fully representative government was established in Kabul. In recent months India has not made further high-profile gestures in support of Najibullah and now appears to be waiting until the shape of a future government is determined. In late 1988, increasing numbers of regime figures arrived in India in search of asylum, including a KHAD general related to Najibullah.

Afghanistan and the Region



Iran

Although preoccupied with its own revolution and war with Iraq, Iran has been an outspoken supporter of the *mujahidin* and hosts more than 1 million refugees in camps primarily along its eastern border. Although it did not participate in the Geneva negotiations, Iran was kept informed of the proceedings by the United Nations.

Iran feels a special kinship with Afghanistan's Shia Muslims with whom it shares religious and cultural ties; and it is critical of the Sunni-dominated Resistance Alliance based in Peshawar for what it perceives as an anti-Shia bias. Although its abilities are limited, Iran mainly supports Shia groups, primarily from western and central Afghanistan, while repeatedly calling for the withdrawal of Soviet troops.

The People's Republic of China

China, concerned about regional stability and Soviet expansionism, has made Soviet withdrawal from Afghanistan a precondition to normalization of Sino-Soviet relations. China supports the Geneva accords and has criticized repeatedly Soviet "pretexts" for delaying withdrawal. It also depicts Soviet withdrawal and failure to agree on a coalition government as furnishing both positive and negative models for a Cambodian settlement.

China's ties to Pakistan are a crucial component of its Afghan policy. The P.R.C. fully supported the Pakistani positions on an interim government and symmetry during the Geneva negotiation process and has worked closely with Pakistan to provide assistance to Afghan refugees.

Afghanistan in the International Arena

Gaining Islamic and International Credibility

The single most important event in Afghanistan's foreign relations during the year was the April 14 signing of the Geneva accords. Najibullah clearly was a reluctant participant and Wakil, who actually signed for the regime at Geneva, even more so. Nevertheless, Najibullah has tried to make the best of it—portraying himself for both domestic and international audiences as the great peacemaker. The message, how-

ever, has not been convincing to most observers, who give the resistance *mujahidin* the credit for Moscow's decision. Conversely, Najibullah's political enemies have been all too eager to let him take the blame for what they see as a Soviet "sell-out."

Najibullah began the year on a high note, having just returned from a December 1987 trip to Asia, where he met with Indian Prime Minister Gandhi for the first time and also visited Vietnam and Cambodia. In May, Najibullah went again to India on a trip that was heralded by the Kabul media as an expression of confidence by the Indian Government. Najibullah continued his travels in early June with a trip to the United Nations, where he addressed the Special Session on Disarmament, and a visit to Cuba. However, plans to continue on to Czechoslovakia were canceled, presumably because of instability and coup rumors in Kabul. Since then, Najibullah has stayed close to home—except for some probable unpublicized visits to Moscow.

Despite these efforts, the regime never has gained international credibility. Few countries outside the communist bloc recognize it as legitimate. Efforts by the regime in 1988 to change its status as an international pariah were largely a failure. Throughout the year, Najibullah has tried assiduously to associate himself and the new government with Islamic tradition and has pushed for expanded international acceptance—particularly in the Islamic world.

In March, the PDPA Politburo established an "Islamic University" in Kabul; on various occasions Najibullah appeared before the "Islamic High Consultative Council" to report on government policies and plans. In late October, the regime sponsored an international Islamic conference in Kabul to commemorate the Prophet Mohammed's birthday. Najibullah once again appealed for a cease-fire and talks with the "opposition," this time suggesting Mecca as a venue.

The Kabul Regime and the OIC

The Organization of the Islamic Conference declared the Afghan seat vacant at the time of the Soviet invasion. It since has been contested by the resistance and the Kabul regime. Following Gorbachev's February 8 withdrawal announcement, Kabul embarked on an ambitious plan to convince OIC mem-

bers that the imminent Soviet withdrawal signaled a basic change in conditions and that the OIC could award its Afghan seat to Kabul at forthcoming ministerial meeting to be held in Amman from March 21 to 24. Foreign Minister Wakil was dispatched to foreign capitals as part of Kabul lobbying campaign.

Saudi Arabia, location of the OIC headquarters, was instrumental in buffering Kabul's effort. Saudi Arabia has been among the most vigorous of the Arab countries opposed to the Soviet occupation and has helped organize Arab and Muslim states against it. A resistance delegation attended the meeting as observers and presented its case to the delegates. On March 21, in a tacit admission of the campaign's failure, the Afghan Foreign Minister issued a statement condemning discussion of the Afghan issue in Amman as "unjustifiable and open interference in the internal affairs of an Islamic country."

On March 23, the OIC passed a strong resolution noting the world's condemnation of the Soviet occupation, reflected in previous UN and OIC resolutions. It called on all OIC member states to withhold recognition of the Kabul regime until all Soviet troops were withdrawn and to stop all forms of aid to Kabul. It also commended Pakistan for providing asylum to Afghan refugees and called for an immediate withdrawal of Soviet troops, and deplored Afghan raids, bombings, and terrorism directed against Pakistan.

While praising the resistance's struggle against Soviet occupation, the conference did not award the Afghan seat to the *mujahidin*, stating that it would be filled when the fighting had ceased, an acceptable government had been established, and the refugees had returned. It did, however, recommend that conference members establish closer relations with the resistance.

Afghanistan in the NAM

In 1988, the Nonaligned Movement held its ministerial from September 5 to 11 at Nicosia, Cyprus, and adopted a consensus resolution on a variety of international issues. The resolution expressed "deep satisfaction" at the conclusion of the Geneva accords and commended the United Nations for its efforts but urged that a "broad-based government" be established in Afghanistan. This echoed previous NAM resolutions which refused to confer legitimacy on the Kabul regime.

Expanding Bilateral Relationships

During the year, the regime established an embassy in Vienna and gained accreditation to Nicaragua, Cyprus, and Panama respectively for its ambassadors in Cuba, Moscow, and Ethiopia.

Afghanistan and the Media

The Kabul regime and the Soviet media have alleged that Western, Pakistani, and Arab military advisers were active in Afghanistan. In October, Kabul announced that two Americans were killed in combat inside Afghanistan, while in December there were claims of up to 20 Americans at a time fighting in Afghanistan. No evidence has ever been produced, and the United States has termed Kabul's charges as "silly."

Kabul and the U.S.S.R. have actively attempted to prevent reporters from entering the country, except through Kabul's auspices. Seven journalists—one Norwegian, one Japanese, one Australian, one British, one Italian, and two Americans—have been killed covering the war, and three have been captured and imprisoned. The Kabul regime has offered sizable rewards for the capture or killing of foreign journalists traveling with the *mujahidin* in an attempt to dissuade other journalists from entering Afghanistan.

Two captured journalists were released in 1988. Alain Guillo, a French journalist, captured in October 1987, was tried and sentenced to 10 years imprisonment as a spy. He was released on May 29, 1988. Fausto Biloslavo, an Italian journalist, was captured in November 1987. He was tried in Kabul for "illegal entry and spying" and was sentenced to 7 years imprisonment. He was released on June 1, 1988.

In both cases the Kabul regime attempted to obtain legitimacy by manipulating the imprisoned reporters. Both the United States and France have restricted contact with Kabul and were forced to release their nationals to talks with Kabul. The journalists were not released until high-level government officials asked Najibullah to "free" them. These exchanges were given wide coverage in the Soviet and Western media.

Following the Geneva accords, the Soviet press became more responsive to Western journalists and flew foreign reporters to Kandahar on Soviet planes, allowed them to accompany withdrawing Soviet

troops, and gave them free access to Soviet soldiers. This proved to be a unique opportunity for veteran journalists—who had long covered the war only from the resistance side or through tightly controlled visits to Kabul—to experience the war from the point of view of the average Soviet soldier.

The Soviets' own coverage also began to change. For the first time, the Soviet people were exposed to realistic reports of combat inside Afghanistan and were allowed to learn of the grim and bloody nature of the conflict. Previous Soviet coverage had been spare and unenlightening, stressing the successes of the Red Army and its support from the Afghan people. For the first time, Soviet commentators began to discuss the difficulties facing Soviet troops and Afghan resistance to sovietization. This change in coverage was meant to encourage public support for Gorbachev's withdrawal decision, shift the blame for the disaster onto the previous regime, and perhaps prepare the Soviet public for impending withdrawal from Afghanistan in the face of continued fighting there.

Human Rights and Afghanistan

The most serious violations of human rights in Afghanistan have resulted from the disregard of the humanitarian rules of war by Soviet and Kabul regime forces. Soviet/Kabul forces continue to kill and injure civilians in retaliation for *mujahidin* successes as well as during attempts to create secure areas. Tactics used against the civilian population include high-altitude bombing raids, indiscriminate air and artillery attacks, timebombs set to detonate during peak travel hours along popular supply routes, and boobytraps cleverly designed to attract children. Resistance forces also have been responsible for violent acts which have brought death and injury to noncombatants.

Abuses by the Kabul regime and Soviet Army remain widespread—despite some amelioration as part of the regime's national reconciliation campaign. Najibullah's government has engaged in political killing, abduction, forced conscription, torture, arbitrary arrest, and systematic denial of basic human rights. Thousands of Afghans

have been arrested and imprisoned for years without trial, and hundreds have been summarily executed or died from mistreatment. Kabul regime press gangs often forcibly snatch underage Afghan males from the streets. Parents are seldom notified, and the children simply disappear into the army.

Victims have described the systematic use of torture in regime prisons. Some have alleged the torture was directed or observed by Soviet personnel. Imprisoned foreign nationals from a number of countries are denied access to their embassies. The regime does not protect Afghan citizens from arbitrary arrest. Arrest warrants are not issued, and detainees have been kept imprisoned for years without access to legal assistance, family, or medical care. Najibullah's "revolutionary justice" system tries, sentences, and sometimes executes prisoners in secret. Food, water, and sanitary facilities are in short supply in Afghanistan's overcrowded prisons. Many prisoners are chronically ill.

Private homes in Afghanistan routinely are searched by government forces. Telephones are tapped and correspondence monitored. All media are controlled by the PDPA with no dissenting opinions allowed. Foreign radio broadcasts are often jammed. Any expression of dissent from PDPA views or criticism of the Soviet Union can result in imprisonment.

Amnesty International's May 1987 report on Afghanistan condemned the Kabul/Soviet practice of detaining, executing, and attacking refugees fleeing to Pakistan. It contains eyewitness accounts of attacks on refugees by Soviet and regime troops. The report also attacks torture in regime prisons and noted that political prisoners are often forcibly conscripted upon their release from prison, a practice Amnesty International decries as nothing more than "continued political imprisonment." Throughout 1987 and into 1988, Amnesty International received no response to its numerous requests for information about prisoners.

Amnesty International noted that under Najibullah's national reconciliation program some 10,000 political prisoners may have been freed. However, regime attacks on civilians did not cease after the program was initiated, and the flow of refugees into Pakistan and Iran continued unabated. The United Nations noted some improvement in the movement of refugees into and out of neighboring countries.



Mujahidin fighters hold a Soviet antipersonnel mine.

In 1988 Felix Ermacora, the UN's special rapporteur on human rights in Afghanistan, again visited both Afghanistan and Pakistan to gather facts and impressions and prepare a written report. Ermacora criticized Afghanistan's new constitution, which he charged was not a "free act of self-determination," did not guarantee a multiparty system, and did not adequately safeguard human rights. He noted that human rights would not be assured until the "revolutionary tribunals," revolutionary prosecutor, and secret police (KHAD) were abolished. Ermacora described the large numbers of refugees as the principal human rights problem facing the country and noted that the presence of Soviet troops was the principal hindrance to their return.

For the past several years, the United Nations, despite Soviet efforts to quash debate, has passed annual resolutions on the "Question of Human Rights and Fundamental Freedoms in Afghanistan." These resolutions have been critical of the human rights situation in Afghanistan.

The most recent resolution, passed by consensus in December 1988, recognized "some improvements in some aspects of the human rights situation in Afghanistan" but expressed deep concern about continuing allegations of torture and ill-treatment of prisoners, continuing disappearances, and the incarceration of political prisoners. It noted that human rights violations

"persist with the same frequency as in the past" and that civilians are most affected.

The Afghan Economy

Agriculture and Food Supply

Abundant snow and rainfall over the winter months ensured a good spring wheat harvest, helping keep prices of staples down in the first half of 1988. Meat prices registered the largest increases, a reflection of continuing herd attrition from the fighting. The regime for the first time began importing meat from India to feed troops. Some of this meat reached the market, moderating price increases somewhat. Meat prices in Kabul essentially increased by an estimated 73% over 1987 prices, and what little meat was available was of very poor quality.

Inflation

Inflation continued to increase steadily in 1988 despite a highly publicized government campaign to keep prices down. Food shortages and price increases were more pronounced toward the end of 1988, when fighting closed roads leading to Kabul and Qandahar. Annual inflation reached an estimated 40% (up from an estimated 30%-35% inflation rate in 1987).

The extensive destruction and population of previously productive agricultural areas near Kabul during forced merchants to seek fruits and vegetables from farther distances. Potato prices increased sharply because of difficulty in transporting them from the main growing area in central Afghanistan. Prices for firewood also began climbing in the fall as fighting reduced access to forested areas; demand was abnormally high because of a scarcity of kerosene. The regime blamed the kerosene shortage on transportation problems.

Continued Depreciation of the Afghani

A 25% depreciation of the Afghani in 1988 increased the scarcity of foreign exchange, making commercial imports more expensive. The currency depreciation, and regime efforts to force merchants wishing to trade with private Western firms to first sign letter contracts with the Council for Mutual Economic Assistance (CMEA) organizations, spurred reliance on barter trade with the Soviet Union and Eastern Europe.

The sharp depreciation of the Afghani against the U.S. dollar and other Western currencies was fuel in part, by large hard currency purchases by the regime. Earlier in the year the Afghani rose and fell with reports of progress in the Geneva talks, with merchants buying Afghani in anticipation of an early refugee return. The decline in the value of the Afghani resumed earnest after the terms of the Soviet withdrawal were set.

General Economic Performance

Agricultural production declined in 1988 according to regime reports and probably fell again in 1988 because of damage to fields and irrigation systems. Natural gas exports also declined due to mujahidin activity in gas-producing areas and around the export pipeline to the Soviet Union.

In a March 14 speech to provincial governors and members of the Afghan Council of Ministers, Prime Minister Keshitmard blamed lagging economic activity and exports on a shortage of raw materials and mismanagement of government enterprises. He attributed a sharp decline in hard currency earnings to an absolute decline in Afghan exports and to an increasing reliance on barter trade with CMEA countries.

Aid in 1988

Soviet Union began instituting aid agreements between individual Soviet provinces and Afghan provinces in 1987 to control aid disbursements and the Afghan economy closely to its aid. Many of these agreements involve the agricultural sector, particularly flood control and irrigation projects but they also are used as a conduit for commodity imports, particularly foodstuffs. The number of these agreements grew rapidly in 1988, with a significant proportion of Soviet aid now funneled through them. For example, Laghman Province received 100,000 mattresses, soap, salt, wheat, and radios under its aid agreement with the Belorussian S.S.R.

The expansion of the Kabul airport was completed in May with Soviet assistance. As part of an ongoing 10-year, \$1 billion Soviet aid program to augment Afghan electricity supplies, Kabul is linked to the Soviet power grid in 1988.

Humanitarian Effort

The Soviet invasion and occupation of Afghanistan have inflicted immense suffering on the Afghan people and left the country with enormous physical destruction. Hundreds of thousands of people have been killed or maimed, and 3.2 million people have fled to Pakistan and another 2 million to Iran. More than 10 million people have submitted to the Soviets and the illegitimate Kabul regime. Another 10 million people have been internally displaced.

Besides the millions of refugees, there has been extensive physical destruction of homes, mosques, roads and bridges, orchards, and irrigation systems. Health and educational systems have been disrupted severely. Mines have been sown indiscriminately over much of the country, rendering many agricultural fields useless in a country where agriculture forms the "backbone" of the economy.

The size of the problem is such that no single country can provide the resources required to help the Afghan people meet the challenge before them. The demand for expertise and financial support for an international response to the United Nations and its technical and development agencies must be met by the leadership.

The United Nations is responding to this need. In May, the Secretary General appointed a Special Coordinator for Afghan Humanitarian Affairs, Prince Sadruddin Aga Khan. UN agencies have begun drawing up plans and stockpiling food, medicine, and other necessities in anticipation of the return of the refugees. Plans are also being made for the eventual reconstruction of the country.

Refugee Repatriation

The UN High Commissioner for Refugees (UNHCR) will have chief responsibility for the return of several million Afghans, a repatriation effort that is unprecedented in modern history. The successful repatriation of the refugees will depend on the return of peace and stability. This in turn depends on the timetable of Soviet withdrawal and prospects for political and military stability at both national and provincial levels. Another factor which will influence the refugee return is the speed with which the mines are destroyed or neutralized. Economic opportunities in Pakistan and Iran in comparison with expected opportunities in Afghanistan also will play a role. Finally, the rate of return will be heavily dependent upon the restoration of agricultural productivity, prior to which supply of food from the outside will be essential.

Over half of the several million refugees expected to return to Afghanistan following the Soviet withdrawal will be children and young adults. In some border provinces, where the war has greatly disrupted village life, returning refugees and displaced persons will outnumber residents. The heaviest concentration of returning refugees will be in the war-ravaged eastern and southern regions, followed by Herat Province in the west.

Refugees in Pakistan

The ethnic Pushtuns, who have maintained strong tribal ties despite severe disruption of their lifestyles, include about 80% of the Afghan refugees in Pakistan. Most Pushtuns moved into refugee camps in Pakistan's Northwest Frontier Province and Baluchistan from villages within 100 miles of the border. Some refugees have moved back and forth across the border to join the *mujahidin* and to trade or temporarily return to their farms. Pushtuns should be the first wave of returning refugees because of their fierce independence and close proximity to home. Other

ethnic groups who fled from farther away, such as the Hazaras, Tajiks, and Uzbeks, probably will be more cautious in returning.

Since the Soviet invasion, the Government of Pakistan has provided generous assistance to the Afghan refugees despite domestic economic strains and international pressures. Most refugees live in camp clusters of mud and straw houses as they would in their home villages. The refugees in Pakistan are allowed to travel outside the camps and to take remunerative jobs. Many of the more than 300 camps scattered along the border region have well-developed and specialized markets that interact with each other as well as with local Pakistani markets. Refugees, where possible, work as traders, laborers, and truck drivers. Their economic stability and access to better medical care than was available in their home villages have resulted in very high fertility rates and relatively low infant mortality rates. Thus more Afghans may return than initially fled.

By fall 1988, no significant repatriation had occurred; indeed, refugees are still fleeing areas of heavy fighting. Most Afghans in Pakistan probably will wait until late spring or early summer 1989 to return home because of continued instability in the eastern and southern regions. The border area still offers a less-than-hospitable homecoming, despite a reduced Soviet presence, because of widespread distribution of landmines and fierce fighting between the *mujahidin* and Kabul regime forces in and around towns and cities. As the border areas become more secure, refugees will begin returning to their villages to repair homes and irrigation ditches and prepare abandoned farmland for the first planting next spring.

Refugees in Iran

The return of Afghan refugees from Iran is much harder to predict than that from Pakistan. They are more spatially diffused and have become more integrated into the host country economy than their fellow refugees in Pakistan. Although Iran may have as many as 2 million Afghans, about half are Persian-speaking economic migrants who may not return in the next couple of years unless Iran's economy continues to nose dive. Most of the estimated 1 million Afghan refugees in Iran are expected to return to the western provinces of Herat and Farah.



Afghan father and son waiting to return home.

Rural Stability and Urbanization

Afghanistan's rural population has fallen sharply since the Soviet occupation. Those villagers who did not flee the country often migrated to cities such as Kabul, Qandahar, and Herat. All of the towns and cities in the southern and eastern provinces have been damaged by the war and a few have been completely deserted. Some Afghans, rather than become refugees,

migrated to Kabul which, as a result, has more than quadrupled its population (to about 2 million).

Internally displaced Afghans have proven to be a serious problem. While refugees receive considerable attention from relief agencies, displaced persons often are overlooked. Having migrated to cities, many are housed in urban slums in substandard conditions and are suffering from unemployment and malnutrition. There are some indications that they are in worse condition

than the refugees. This group will require considerable attention as the country reconstructs.

Resettling displaced persons or refugees in their former villages, replanting crops, restoring irrigation canals, and reorganizing marketing systems will be major obstacles to stability and will require substantial foreign assistance. Peaceful resettlement also may be hindered by conflict over land tenure between those who stayed and those returning. Finally, the threat of food shortages or the reemergence of entrenched rural poverty, coming after 8 years of relief assistance, may push some refugees and displaced persons to cities that will be hard pressed to accommodate them.

Infrastructure and Agriculture

Although much infrastructural damage can be repaired with local material and labor, major reconstruction projects such as rebuilding bridges and major highways, will require international assistance and may take several years. Along with infrastructural damage, labor shortages, land abandonment, and declining agricultural productivity within Afghanistan have been blamed for much of the decline in rural production. If traditional staples, particularly wheat and rice, once again to support the local population, attention must be paid not only to the provision of good seed, fertilizer, and livestock but also to marketing systems that hold the key to regional development. If this effort fails, farmers turning to the eastern and southern provinces may resort to opium cultivation to provide them with much-needed income during the first few years.

The International Relief Effort

An extensive rural development program—focusing on basic needs, agricultural production, and marketing systems—will be required over the next few years to avert famine and uncontrolled migrations to cities. But before that long-term development effort can take place, the UNHCR and several governmental and voluntary agencies face the challenge of assisting seven million poor, but proud, Afghans in returning home. Although the United Nations has contingency plans for repatriation, including monitoring conditions and food rations through the harvest, it will be unable to control when and where the refugees go or provide the major infrastructural assistance that will be needed.

(c. Liaison)

over the next year repatriation and efforts probably will be directed to southern and eastern provinces. These provinces will face a difficult absorbing the upcoming influx, but the relatively close proximity to refugee camps and tribal and economic ties among Pushtuns on both sides of the border should ease the transition.

Policy

Geneva Accords

Soviet forces invaded Afghanistan in December 1979, their prompt and complete withdrawal has been viewed by the United States as the single most important factor in solving the Afghanistan crisis. The Geneva accords, signed on April 14, 1988, provided a timetable for that goal. Their centerpiece is the stipulation that all Soviet troops must be removed from Afghanistan no later than February 15, 1989. The accords constitute a first step in resolving the Afghan conflict. In this regard, the withdrawal of Soviet troops will set the stage for the return of refugees to a free, sovereign, and unified Afghanistan, where they can decide their own future free from foreign interference.

On August 15, 1988, the Soviet Union met the first benchmark stipulated in the agreements by essentially completing the withdrawal of 50% of its troops from Afghanistan. The United States fully expects the Soviet Union to live up to its commitment at Geneva by withdrawing its forces completely from Afghanistan no later than the February 15, 1989, deadline given in the accords. When the United States agreed to the accords with the Soviet Union to become a guarantor of the agreements, it understood that the obligations of the guarantor must be balanced and symmetrical. The United States was prepared to accept a joint U.S.-Soviet moratorium on further military supplies to Afghanistan for a limited period of time. The Soviets, however, refused to accept such an arrangement, claiming a right to continue furnishing military hardware to their clients in Afghanistan. Consequently, the United States decided that it would retain and exercise its right, consistent with its own obligations as a guarantor, to provide military assistance to parties in Afghanistan. The United States added that it was prepared to exercise re-

straint in providing military assistance should the Soviet Union do so as well.

Unfortunately, the Soviet Union since has chosen not only to continue supplying the Kabul regime with military goods but also to increase the scale and breadth of its assistance, providing the PDPA regime with weaponry and technology heretofore unavailable to it.

The United States regards direct Soviet-resistance talks as a positive development and supports a peaceful set-

tlement of the Afghan conflict involving genuine Afghan self-determination. The form of a future government, and the modalities for choosing it, are for the Afghans themselves to decide. The United States backs no parties or individuals in this process.

Humanitarian Assistance

The United States supports the United Nations as it prepares for the task of resettlement of millions of Afghan refugees. Moreover, it will cooperate fully

Ninth Anniversary of Soviet Invasion of Afghanistan

PRESIDENT'S STATEMENT, DEC. 27, 1988¹

This has been a historic year for Afghanistan. For the Afghan people, years of determination in the face of great adversity have been rewarded by the promise of peace. On April 14 in Geneva, the Soviet Union formally agreed to withdraw all of its troops from Afghanistan by February 15, 1989. The agreement required that in the first stage, the U.S.S.R. remove half of its forces from Afghanistan within 90 days—a task they met. I fully expect them to honor their obligation to withdraw completely by February 15.

Nine years ago today, the Soviet Union invaded Afghanistan in a brutal attempt to prop up an unpopular and authoritarian regime. Today we all know the outcome of this tragic mistake. Rather than achieving its aim, the Soviet action resulted only in destruction and continued suffering for the Afghan people. More than 1 million people are thought to have died or been injured, while at least one-third of the population was forced to take refuge in neighboring Pakistan and Iran or to flee to the large cities of Afghanistan to escape the carnage in the countryside. Even today, as February 15 approaches, the Soviets continue offensive military operations in Afghanistan. The introduction of new weapons and the escalation in the use of Soviet warplanes in bombing raids against Afghanistan call into question the Soviet commitment to a peaceful solution.

At every turn, it is the determination of the Afghan people and the valiant freedom fighters, the *mujahidin*,

that stays the advance of tyranny in Afghanistan. We are proud to have supported their brave struggle to regain their freedom, and our support for this noble cause will continue as long as it is needed.

Self-determination, the right to freely choose one's own destiny, has been the central point of the Afghan struggle. The Afghan people have clearly demonstrated that they will resist any effort by outsiders to impose a leadership on them. We have held that any decision about the government in a free Afghanistan will be—must be—the free choice of the Afghan people alone. With the end of foreign occupation, I am confident that the Afghan people will be able to take charge of their own affairs and get on with the formidable task of rebuilding their country.

This will be my last statement as President marking the occasion of the anniversary of the Soviet invasion of Afghanistan. Nonetheless the date will long be remembered not as yet another anniversary in a continuing occupation but, God willing, as a reminder that the Afghan people are determined to be free, regardless of the odds. The men and women of Afghanistan are an example to those anywhere in the world who would call themselves free. If liberty comes with a price, the Afghan people have more than paid it for themselves and for the future generations. In the name of the free people of the United States, I again salute the resolute people of Afghanistan and wish them Godspeed on the tasks still before them.

¹Text from Weekly Compilation of Presidential Documents of Jan. 2, 1989. ■

with the resettlement and reconstruction effort under the direction of Sadruddin Aga Khan, the UN coordinator for Afghan relief.

From 1980 to 1988, the U.S. Government has provided approximately \$750 million in humanitarian aid for the Afghans through multilateral and bilateral channels. These funds helped provide food and health care, housing, education, and vocational training. In fiscal year (FY) 1989, the United States will provide an additional \$150 million in aid.

Beginning in 1985, the U.S. Government, through the Agency for International Development (AID), has administered a cross-border humanitarian assistance program to assist the Afghan people in countering the systematic destruction of their crops, livestock, and property inflicted by the Soviet Army. This program also provides Afghans with the means to survive in their country and helps them resist the pressures that have forced millions of their compatriots to become refugees in Pakistan.

U.S. support is channeled through the various technical committees of the Afghan Resistance Alliance to support their efforts to provide education, health, and agricultural services inside Afghanistan. The U.S. Government also channels support through American and European private voluntary agencies. The alliance technical committees and the private voluntary agencies make it possible to deliver foodstuffs, textbooks, medicines, agricultural equipment, and livestock to war-affected people still inside Afghanistan who need them most. For FY 1989, cross-border humanitarian assistance is valued at \$71.74 million plus an additional \$23 million in emergency refugee and migration assistance funds designated by the Congress to be administered under the cross-border program.

In addition, AID and the Department of Defense provide excess humanitarian goods as well as help transport food, medicines, and clothing donated to the alliance by private groups in the United States. As part of the same program, Afghans wounded in the war are transported to the United States, Europe, and the Middle East for free medical treatment. As of July 31, 1988, more than 600 patients had been placed worldwide.

¹These new provinces have not yet been delineated on international maps of Afghanistan. ■

U.S. Reports to United Nations on Downing of Libyan Planes

Following is the text of the U.S. letter to the President of the UN Security Council of January 4, 1989, and a statement by Herbert S. Okun, Acting U.S. Permanent Representative to the United Nations, in the Security Council on January 5.

U.S. LETTER, JAN. 4, 1988¹

In accordance with Article 51 of the United Nations Charter, and as discussed earlier today with you and the Secretary-General, I wish, on behalf of my Government, to report that United States forces have exercised their inherent right of self-defense under international law by taking defensive action in response to hostile actions constituting an armed attack by the military forces of the Libyan Arab Jamahiriya against United States forces lawfully operating above international waters of the Mediterranean Sea.

The incident took place at 5:00 a.m. Eastern Standard Time (1000 GMT) on January 4, 1989, more than 40 miles off the coast of Libya, northeast of Darnah between Benghazi and the Libyan-Egyptian border. United States aircraft were participating in a routine peaceful naval training operation over international waters in the Mediterranean Sea when two Libyan aircraft without provocation approached them in a hostile manner. After repeatedly attempting to disengage by taking evasive measures, the American aircraft, acting in self-defense, fired upon and shot down the two Libyan aircraft.

In view of the gravity of Libya's action, I ask that you circulate the text of this letter as a document of the Security Council.

HERBERT S. OKUN
Ambassador
Acting Permanent Representative

AMBASSADOR OKUN'S STATEMENT, JAN. 5, 1989²

It is not Libya that is the aggrieved party in these chambers but rather the United States, whose routine operations over international waters—well beyond the 12-mile limit of the territorial seas claimed by the Government of Libya—were aggressively and hostilely challenged by the Libyan Air Force. The U.S. Navy aircraft were involved in normal training operations. I wish to state here unequivocally that their activities had no other purpose.

The action by the U.S. Navy aircraft in response to provocation by two armed Libyan MiG aircraft was fully consistent with internationally accepted principles of self-defense. The United States has so informed the UN Secretary General and the UN Security Council President under Article 51 of the UN Charter. A letter has been made a formal part of these proceedings.

The facts in the case are clear. The incident took place on January 4. The aircraft carrier *Kennedy* was on an easterly transit through the Mediterranean Sea, 170 miles north of the border between Libya and Egypt. The U.S. Navy aircraft were operating on a training mission in international airspace over international waters some miles off the coast of Libya, north of Tobruk. Operations of this nature have been conducted in the same area many times in the past—in fact, 12 times in the past year. These operations—past and present—pose no threat to Libya or other countries.

During these operations, armed Libyan fighter aircraft were detected by the U.S. forces as the Libyan aircraft left their home base at the Bumbah airfield in eastern Libya.

an aircraft were tracked for 10 minutes as they closed rapidly on the American F-14 planes. Our pilots did not react precipitately. Rather they exercised restraint under very tense circumstances. They did not fire immediately. Instead they repeatedly attempted to avoid the Libyan aircraft as they were closing on them.

In order to determine the intent of the Libyan fighters and to demonstrate of hostile intent on their part, the pilots on five separate occasions changed their direction. They also varied their speed and their altitude. The Libyan aircraft continued to track our aircraft in a hostile manner, markedly different from presorties by Libyan aircraft to monitor training operations. In the face of repeated hostile behavior by the Libyan planes, the U.S. section leader decided with the growing and imminent threat of being shot down by the Libyan aircraft. We have graphic evidence that clearly the Libyan aircraft were carrying air-to-air missiles.

At a distance of approximately 14 miles or with only a few seconds to spare, a decision as the Libyan planes approached at a very high rate of speed, the section leader determined that his aircraft were in jeopardy. The U.S. aircraft then fired on the Libyan planes, bringing down two Libyan aircraft in an unambiguous act of self-defense.

My government has subsequently been clear in its public statements that this was a distinct incident, unrelated to other issues. It had nothing to do with our concerns about Libya's chemical warfare plant, which is some 600 miles away from the location where the shoot-down occurred. It is also erroneous to associate this incident with extraneous issues

such as the route rotation of the U.S. 6th Fleet into and out of the Mediterranean Sea. As U.S. Defense Secretary Carlucci noted in his January 4 briefing to the press, the carrier on which the two U.S. F-14s were based has been in the Mediterranean for approximately the last half year.

In sum it is very clear from the foregoing that our actions were fully consistent with accepted norms of self-defense. My government considers this matter now closed.

¹UN document S/20366.

²USUN press release 1. ■

Current Actions

MULTILATERAL

Astronauts

Agreement on the rescue of astronauts, the return of astronauts, and the return of objects launched into outer space. Done at Washington, London, and Moscow Apr. 22, 1968. Entered into force Dec. 3, 1968. TIAS 6599.

Accession deposited: China, Dec. 19, 1988.

Notification of succession deposited: Antigua and Barbuda, Nov. 16, 1988.

Atomic Energy

Amendment of Article VI.A.1 of the Statute of the International Atomic Energy Agency of Oct. 26, 1956, as amended (TIAS 3873, 5284, 7668). Done at Vienna Sept. 27, 1984.¹ [Senate] Treaty Doc. 99-7.

Acceptance deposited: Ecuador, Dec. 28, 1988.

Aviation

International air services transit agreement. Done at Chicago Dec. 7, 1944. Entered into force Jan. 30, 1945; for the U.S. Feb. 8, 1945. EAS 487.

Notification of succession deposited: Antigua and Barbuda, Nov. 16, 1988.

Fisheries

Pacific Island regional fisheries treaty, with annexes and agreed statement. Done at Port Moresby Apr. 2, 1987. Entered into force June 15, 1988. [Senate] Treaty Doc. 100-5.

Ratification deposited: Western Samoa, Aug. 30, 1988.

Gas

Protocol for the prohibition of the use in war of asphyxiating, poisonous, or other gases and of bacteriological methods of warfare. Done at Geneva June 17, 1925. Entered into force Feb. 8, 1928; for the U.S. Apr. 10, 1975. TIAS 8061.

Accessions deposited: Bahrain, Dec. 9, 1988;² Korea, Rep. of, Jan. 4, 1989;² Korea, Dem. People's Rep. of, Jan. 4, 1989.³

Notification of succession deposited: Antigua and Barbuda, Jan. 4, 1989; St. Lucia, Dec. 21, 1988.

Judicial Procedure

Convention on the service abroad of judicial and extrajudicial documents in civil or commercial matters. Done at The Hague Nov. 15, 1965. Entered into force Feb. 10, 1969. TIAS 6638.

Accession deposited: Pakistan, Dec. 7, 1988.

Maritime Matters

Convention for the suppression of unlawful acts against the safety of maritime navigation. Done at Rome Mar. 10, 1988.¹ [Senate] Treaty Doc. 101-1.

Signatures: China, Oct. 25, 1988;²

Denmark, Oct. 26, 1988; Finland, Nov. 18, 1988; Iraq, Oct. 17, 1988; New Zealand, Dec. 8, 1988.

Protocol for the suppression of unlawful acts against the safety of fixed platforms located on the Continental Shelf. Done at Rome Mar. 10, 1988.¹ [Senate] Treaty Doc. 101-1.

Signatures: China, Oct. 25, 1988;²

Denmark, Oct. 26, 1988; Iraq, Oct. 17, 1988; New Zealand, Dec. 8, 1988; Poland, Nov. 22, 1988.

Meteorology

Convention of the World Meteorological Organization. Done at Washington Oct. 11, 1947. Entered into force Mar. 23, 1950. TIAS 2052.

Accession deposited: Antigua and Barbuda, Nov. 16, 1988.

Nuclear Test Ban

Treaty banning nuclear weapons tests in the atmosphere, in outer space, and under water. Done at Moscow Aug. 5, 1963. Entered into force Oct. 10, 1963. TIAS 5433.

Notification of succession deposited: Antigua and Barbuda, Nov. 16, 1988.

Patents

Patent cooperation treaty, with regulations. Done at Washington June 19, 1970; entered into force Jan. 24, 1978. TIAS 8733.

Accession deposited: Burkina Faso, Dec. 21, 1988.

Pollution

Montreal protocol on substances that deplete the ozone layer, with annex. Done at Montreal Sept. 16, 1987. [Senate] Treaty Doc. 100-10.

Entered into force: Jan. 1, 1989.

Ratifications deposited: Denmark, Germany, Fed. Rep. of, Greece, Ireland, Italy, Spain, U.K., Dec. 16, 1988; Belgium, Dec. 30, 1988; Switzerland, Dec. 28, 1988.

Approval deposited: European Economic Community, Dec. 16, 1988; France, Dec. 28, 1988.

Acceptances deposited: Byelorussian S.S.R., Oct. 31, 1988; Netherlands, Dec. 16, 1988.

Accession deposited: Nigeria, Oct. 31, 1988.

Racial Discrimination

International convention on the elimination of all forms of racial discrimination. Done at New York Dec. 21, 1965. Entered into force Jan. 4, 1969.⁴

Ratification deposited: Mauritania, Dec. 13, 1988.

Rubber

International natural rubber agreement, 1987, with annexes. Done at Geneva Mar. 20, 1987.

Provisional entry into force: Dec. 29, 1988.

Ratifications deposited: Norway, Sweden, Dec. 29, 1988.

Acceptance deposited: Netherlands, Dec. 29, 1988.

Notifications of provisional application: Belgium, Denmark, European Economic Community, Dec. 22, 1988; Finland, Dec. 6, 1988; Germany, Fed. Rep. of, Dec. 22, 1988; Greece, Dec. 29, 1988; Ireland, Italy, Luxembourg, Dec. 22, 1988; Morocco, Dec. 30, 1988; Spain, Dec. 28, 1988; Thailand, Dec. 29, 1988; U.K., Dec. 22, 1988.

Seabed Disarmament

Treaty on the prohibition of the emplacement of nuclear weapons and other weapons of mass destruction on the seabed and the ocean floor and in the subsoil thereof. Done at Washington, London, and Moscow Feb. 11, 1971. Entered into force May 18, 1972. TIAS 7337.

Notification of succession deposited: Antigua and Barbuda, Nov. 16, 1988.

Space

Treaty on principles governing the activities of states in the exploration and use of outer space, including the Moon and other celestial bodies. Done at Washington, London, and Moscow Jan. 27, 1967. Entered into force Oct. 10, 1967. TIAS 6347.

Notification of succession deposited: Antigua and Barbuda, Nov. 16, 1988.

Convention on the international liability for damage caused by space objects. Done at Washington, London, and Moscow Mar. 29, 1972. Entered into force Sept. 1, 1972; for the U.S. Oct. 9, 1973. TIAS 7762.

Accession deposited: China, Dec. 19, 1988.

Notification of succession deposited: Antigua and Barbuda, Nov. 16, 1988.

Convention on registration of objects launched into outer space. Done at New York Jan. 14, 1975. Entered into force Sept. 15, 1976. TIAS 8480.

Accession deposited: China, Dec. 12, 1988.

Sugar

International sugar agreement, 1987, with annexes. Done at London Sept. 11, 1987. Entered into force provisionally Mar. 24, 1988.

Ratifications deposited: Austria, Dec. 21, 1988; Colombia, Dec. 31, 1988.

Terrorism

Convention on the prevention and punishment of crimes against internationally protected persons, including diplomatic agents. Done at New York Dec. 14, 1973. Entered into force Feb. 20, 1977. TIAS 8532.

Accession deposited: Netherlands, Dec. 6, 1988.

International convention against the taking of hostages. Done at New York Dec. 17, 1979. Entered into force June 3, 1983; for the U.S. Jan. 6, 1985.

Ratification deposited: Netherlands, Dec. 6, 1988.

Accession deposited: Venezuela, Dec. 13, 1988.

Torture

Convention against torture and other cruel, inhuman, or degrading treatment or punishment. Done at New York Dec. 10, 1984. Entered into force June 26, 1987.⁴

[Senate] Treaty Doc. 100-20.

Ratification deposited: U.K., Dec. 8, 1988.³

War

Treaty providing for the renunciation of war as an instrument of national policy. Signed at Paris Aug. 27, 1928. Entered into force July 24, 1929. TS 796.

Notification of succession deposited: Antigua and Barbuda, Nov. 16, 1988.

Weapons

Convention on prohibitions or restrictions on the use of certain conventional weapons which may be deemed to be excessively injurious or to have indiscriminate effects, with protocols. Done at Geneva Oct. 10, 1980. Entered into force Dec. 2, 1983.⁴

Accession deposited: Cyprus, Dec. 2, 1988.

BILATERAL

Australia

Agreement amending and extending the agreement of Dec. 9, 1966, as amended and extended (TIAS 6162, 8969), relating to the establishment of a joint defense space research facility. Effected by exchange of notes at Canberra Nov. 16, 1988. Entered into force Nov. 16, 1988.

Agreement amending and extending agreement of Nov. 10, 1969 (TIAS 678) relating to the establishment of a joint defense space communications station in Australia. Effected by exchange of notes at Canberra Nov. 16, 1988. Entered into force Nov. 16, 1988.

Botswana

International express mail agreement detailed regulations. Signed at Gaborone and Washington Oct. 24 and Dec. 29, 1988. Entered into force Jan. 16, 1989.

Brazil

Agreement amending the agreement Sept. 15 and 19, 1988, concerning trade in cotton, wool, and manmade fiber textile products. Effected by exchange of notes at Washington Oct. 12 and Nov. 1988. Entered into force Nov. 25, 1988. Effective Jan. 1, 1989.

Burma

Agreement amending the agreement Aug. 25 and Sept. 16, 1987, concerning trade in certain textile products. Effected by exchange of notes at Rangoon Nov. 13 and Dec. 13, 1988. Entered into force Dec. 13, 1988.

France

Protocol to the convention of July 28, 1958, with respect to taxes on income and property, as amended (TIAS 6518, 7270), with exchange of notes. Signed at Paris June 16, 1988. [Senate] Treaty Doc. 100-20. Entered into force: Dec. 29, 1988.

Agreement for cooperation in high energy laser-matter interaction physics research and development. Signed at Washington and Paris Dec. 12 and 19, 1988. Entered into force Dec. 19, 1988.

Hong Kong

Agreement amending the agreement Aug. 4, 1986, as amended, relating to trade in certain textiles and textile products. Effected by exchange of letters at Washington Nov. 4 and 7, 1988. Entered into force Nov. 7, 1988; effective Jan. 1, 1989.

Indonesia

Agreement amending the administrative arrangement of Mar. 25, 1987, relating to visa and certification procedures for ports of textiles and textile products in Indonesia. Effected by exchange of notes at Jakarta Dec. 1 and 3, 1988. Entered into force Dec. 3, 1988.

Israel

Postal money order agreement. Signed at Jerusalem and Washington Dec. 15, 1988, and Jan. 9, 1989. Entered into force 1989.

Jamaica

Agreement amending the agreement Aug. 27, 1986, as amended, relating to trade in textiles and textile products.

by exchange of notes at Kingston on 29 and 30, 1988. Entered into force Dec. 30, 1988; effective Jan. 1, 1989.

ment amending and extending the memorandum of understanding of Jan. 26, 1983 (TIAS 10740), on cooperation in earth sciences. Signed at Kuwait City, 1988. Entered into force Dec. 4, 1988; effective Apr. 29, 1988.

ational express mail agreement, with regulations. Signed at Monrovia, Liberia, Washington Nov. 15, 1988, and Jan. 6, 1989. Entered into force Jan. 30, 1989.

ment amending the agreement of Jan. 11, 1985, as amended and extended, relating to trade in cotton, wool, manmade fiber textiles and textile products. Effected by exchange of letters at Kuala Lumpur Nov. 10 and 21, 1988. Entered into force Nov. 21, 1988; effective Jan. 1, 1989.

ment amending the agreement of Jan. 1, 1988, concerning trade in cotton, wool and manmade fiber textiles and textile products, effected by exchange of letters at Washington Aug. 26 and Sept. 7, 1988. Entered into force Sept. 7, 1988.

Memorandum of understanding regarding cooperation in the regulation of raw natural products involved in commerce between Mexico and the U.S., with annex. Signed at Mexico Nov. 28, 1988. Entered into force Nov. 28, 1988.

ment amending the agreement of Jan. 1 and June 1, 1986, as amended, regarding trade in cotton textiles. Effected by exchange of notes at Kathmandu Nov. 28, 1988. Entered into force Dec. 4, 1988. Entered into force Dec. 4, 1988; effective Jan. 1, 1989.

ment amending the agreement of Jan. 2 and June 11, 1987, as amended, regarding trade in textiles and textile products. Effected by exchange of notes at Washington Mar. 4 and 10, July 17, Sept. 15, and Nov. 13, 1988. Entered into force Dec. 4, 1988.

ational express mail agreement, with regulations. Signed at Lome and Lomé Nov. 28, 1988, and Jan. 6, 1989. Entered into force Jan. 30, 1989.

ment amending the visa arrangement of Jan. 10, 1987, concerning textile articles. Effected by exchange of notes at Ankara Nov. 22 and 24, 1988. Entered into force Nov. 24, 1988; effective Jan. 1, 1989.

U.S.S.R.

Agreement on cooperation in the field of basic scientific research, with annexes. Signed at Paris Jan. 8, 1989. Entered into force Jan. 8, 1989.

Memorandum of understanding on cooperation to combat illegal narcotics trafficking. Signed at Paris Jan. 8, 1989. Entered into force Jan. 8, 1989.

United Kingdom

Agreement extending the agreement of July 26, 1984, as extended, concerning the Cayman Islands and narcotics activities. Effected by exchange of notes at Washington Nov. 28, 1988. Entered into force Nov. 28, 1988.

Memorandum of understanding on mutual communications support. Signed at Washington Nov. 22 and 28, 1988. Entered into force Nov. 28, 1988; effective Nov. 17, 1987.

Agreement extending the agreement of Mar. 11, 1987, as extended, concerning Anguilla and narcotics activities. Effected by exchange of notes at Washington Dec. 22, 1988. Entered into force Dec. 22, 1988.

World Intellectual Property Organization (WIPO)

Tax reimbursement agreement, with annex. Signed at Geneva Dec. 5, 1988. Entered into force Dec. 5, 1988.

¹Not in force.

²With reservation(s).

³With declaration(s).

⁴Not in force for the U.S. ■

Department of State

Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

No.	Date	Subject
1	1/9	Shultz: address at the Conference on Chemical Weapons, Paris, Jan. 7.
2	1/10	Shultz: news conference, Paris, Jan. 8.
3	1/10	Shultz: address before the Citizens Network for Foreign Affairs, Jan. 9.
*4	1/17	Shultz: interview by Meg Greenfield, <i>The Washington Post</i> , for broadcast on PBS, Jan. 15.
5	1/17	Shultz: address at CSCE, Vienna.
6	1/17	Shultz: news conference, Vienna.
7	1/19	<i>Foreign Relations of the United States, 1955-1957, Volume V, Austrian State Treaty: Summit and Foreign Ministers Meetings, 1955</i> , released.

8	1/25	<i>Foreign Relations of the United States, 1955-1957, Volume XIII, Near East: Jordan-Yemen</i> , released.
*9	1/30	Baker: remarks at swearing-in ceremony, White House, Jan. 27.
10	1/30	James A. Baker III, Secretary of State (biographic data).
*11	1/30	Baker: remarks before the Response Strategies Working Group, Intergovernmental Panel on Climate Change.
*12	1/31	Program for the official working visit of Japanese Prime Minister Noboru Takeshita, Feb. 1-3.

*Not printed in the BULLETIN. ■

Department of State

Free single copies of the following Department of State publications are available from the Public Information Division, Bureau of Public Affairs, Department of State, Washington, D.C. 20520.

Secretary Shultz

Public Service in America, Citizens Network for Foreign Affairs, Jan. 9, 1989 (Current Policy #1140).

Chemical Weapons: A Global Call to Action, Conference on Chemical Weapons, Paris, Jan. 7, 1989 (Current Policy #1141).

Vienna Meeting: Commitment, Cooperation, and the Challenge of Compliance, closing session of the CSCE, Vienna, Jan. 17, 1989 (Current Policy #1145).

Africa

Agreements for Peace in Southwestern Africa, Dec. 1988 (Selected Documents #32).

East Asia

East Asia and the U.S.: An Economic Partnership, Jan. 1989 (Regional Brief). U.S. Economic Relations with East Asia and the Pacific (GIST, Jan. 1989).

Economics

Telecommunications and Economic Development in the Caribbean, Deputy Coordinator/Deputy Director Borg, Caribbean/Central American Action conference on the Caribbean, Miami, Nov. 30, 1988 (Current Policy #1136). Negotiations Toward a New International Coffee Agreement, Under Secretary Wallis, negotiating conference on a new international coffee agreement, London, Nov. 14, 1988 (Current Policy #1139).

General

Guide to Public Services, Dec. 1988 (Public Information Series).

Human Rights

Witnessing the Changes in Human Rights, Assistant Secretary Schifter, International Human Rights Symposium, Georgetown University, Dec. 8, 1988 (Current Policy #1142).

Human Rights Policy: Future Opportunities and Challenges, Deputy Assistant Secretary Dobriansky, Midwest World Without War Council, Chicago, Dec. 9, 1988 (Current Policy #1143).

U.S. Commemorates 40th Anniversary of the Universal Declaration of Human Rights, Jan. 1989 (Selected Documents #34).

South Asia

Afghanistan (GIST, Jan. 1989).

Western Hemisphere

Caribbean Basin: Accomplishments and Challenges, Assistant Secretary Abrams, 12th annual conference on the Caribbean Basin, Miami, Dec. 2, 1988 (Current Policy #1137).

The Reagan Legacy in Latin America: Active Support for Democracy, Assistant Secretary Abrams, University of Oklahoma, Norman, Jan. 12, 1989 (Current Policy #1144). ■

American Foreign Policy: Current Documents, 1987, Released

The Department of State on December 29, 1988, released *American Foreign Policy: Current Documents, 1987*. This volume presents those official public expressions of policy that best set forth the goals and objectives of U.S. foreign policy in 1987.

During the year, there were major developments in U.S.-Soviet relations, including the signing of the Intermediate-Range Nuclear Forces (INF) Treaty at the Reagan-Gorbachev summit in Washington, D.C., the establishment of Nuclear Risk Reduction Centers, and the reexamination of the embassy construction project in Moscow. The volume documents U.S. objectives in the Persian Gulf and its reactions to events in the region, with special focus on the Iraqi attack on the U.S.S. *Stark*, the reflagging of Kuwaiti ships, and the U.S. attack on the Iranian Rashadat platform. The Iran arms and *contra* aid investigations, the Central American peace agreement and the American peace efforts in the area, the U.S.-Canadian trade agreement, the Venice economic summit, and U.S. policy toward southern Africa are also covered. The publication documents salient public aspects of U.S. bilateral relationships with nearly 100 foreign nations and U.S. participation in multilateral fora and initiatives.

The volume presents the major statements enunciating the general principles underlying U.S. foreign policy, national security policy, the foreign affairs budget, foreign assistance, human rights, environmental issues, oil and energy, immigration and refugees, narcotics, and terrorism as presented by President Reagan, Secretary of State Shultz, and other senior U.S. officials.

All of the official messages, addresses, statements, interviews, press conferences, reports, congressional testimony, and communications by the White House, the Department of State, and other Federal agencies or officials involved in the foreign policy process included here were previously published or released. Several background briefings were also released for publication in the volume.

This 894-page volume, arranged chronologically within 16 geographic and topical chapters, includes a table of contents; editorial annotations; list of documents, names, and abbreviations; and an index.

The Department of State has published the *American Foreign Policy* documentary series since 1950. Following the publication of three volumes covering 1941 to 1955, annual volumes entitled *American Foreign Policy: Current Documents* were issued for the years 1956-67. After an interruption, the series was resumed with the publication in August 1983 of *American Foreign Policy: Basic Documents, 1977-1980*. The annual volumes were revived with the publication of *American Foreign Policy: Current Documents, 1981*. Volumes for 1982 through 1988 have also been published.

Microfiche supplements to the 1981 through 1984 printed volumes are available. These four supplements include the full texts of two series of documents: Department of State daily briefings and Department of State White House special press briefings. Several of these were printed as extracts in the published volumes. The 1981 and 1982 supplements also include additional documents on U.S. foreign policy. The release of microfiche supplements is also planned for subsequent printed volumes in the series.

American Foreign Policy: Current Documents, 1987 was prepared in the Office of the Historian, Bureau of Public Affairs, Department of State. The price of this volume (Department of State Publication No. 9670; GPO Stock No. 044-000-02229-0) may be purchased for \$34.00 (domestic postpaid) from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20540. Checks or money orders should be made payable to the Superintendent of Documents.

Press release 261 of Dec. 29, 1988. ■

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